

# **The Segelman Trust**

Charity Registration No. 1079151

## **Trustees' report and accounts**

**For the year ended 31 December 2020**

# The Segelman Trust

## Legal and administrative information

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<b>Trustees</b>	Wilson Cotton Rebecca Eastmond Christopher Graves Timothy White
<b>Charity number</b>	1079151
<b>Principal address</b>	190 Clarence Gate Gardens Glentworth Street London NW1 6AD
<b>Bankers</b>	National Westminster Bank plc 125 Great Portland Street London W1A 1GA
<b>Solicitors</b>	White & Co 190 Clarence Gate Gardens Glentworth Street London NW1 6AD
<b>Investment advisers</b>	Walker Crips Stockbrokers Limited Finsbury Tower London EC1Y 8LZ  Sarasin & Partners Juxon House 100 St Paul's Churchyard London EC4M 8BU
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

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# The Segelman Trust

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# The Segelman Trust

## Trustees' report for the year ended 31 December 2020

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The trustees present their report with the financial statements of The Segelman Trust (the Trust) for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in pages 17 to 20 of the attached accounts and comply with the charity's governing document, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FR102).

### Introduction

In 2020, the Trust distributed £1.16M in grants to charitable organisations working to improve the life chances of children and families experiencing multiple disadvantage. Specifically, we continued to fund organisations supporting children in care, young adults with care experience and parents and carers needing help to create and maintain a stable family environment. During the year, we also funded three place-based, collective impact initiatives; supporting approaches whereby communities work together to identify related, unmet needs of children and help them to thrive. Across all of our grant-making we focused on supporting people to build positive relationships, removing barriers to participation and ensuring the voices of children and families were heard.

**Covid 19** - by March of 2020, the country was in lockdown and our partners were rapidly adapting their operations. Most of our grant-holders provide frontline services and critical social support and our immediate goal was to support these charities' resilience. Along with over 350 funders, we signed a pledge giving flexibility in the use of our funding and had frank conversations about what and when additional support might be helpful. During the course of the year, a few of the organisations we support requested small, additional grants to meet specific needs, such as extra equipment or wellbeing support for staff. Most of our partners told us they felt most concerned about financial stability in 2021-22 and Segelman has remained in dialogue about their emerging needs.

From the start of the pandemic, our partners were most anxious about supporting their beneficiaries and staff. The charities all worked creatively and determinedly to maintain lines of communication with their service users, often commenting that relationship-centred work before lockdown made adapting to distanced work easier because trust and connection were already established. Most of the charities commented that they did not lose contact with existing service users and many felt that virtual activities created opportunities, enabling them to engage new people they may not otherwise have reached. There were obvious challenges, however: some young people and families struggled with digital access and required devices and funds to participate; programmes taking place in schools were particularly impacted; some partners providing residential services had to reduce their places; work in prisons and hostels was suspended; and for many children and families, in-person connections and group work were missed. On the whole, most charities looked forward to a return to 'normal' but with confidence around the opportunities created by virtual methods - for example, events bringing together people from across the country.

As well as material difficulties caused by the pandemic, the charities documented a significant impact on mental health and well-being as young people and families struggled with isolation and separation, increased caring and parenting pressures, and worries about housing, loss of income and long-term prospects. Several of the charities we support raised awareness of particular issues facing vulnerable groups; for example, the impact of lockdown on victims of domestic abuse and young people living in unsuitable accommodation; the hardship faced by kinship carers; and the cost of funerals.

There were also some hopeful stories of communities coming together and developing new skills; for example, a derelict piece of land was turned into a community garden and hub of activity; groups started cooking online together and developing quizzes and other activities.

**Supporting innovation** - Segelman tries to use its independence to support untested or developing projects that have the potential to change the way we respond to complex social problems. In 2020 we supported the start-up and development of three new initiatives: 1) **Thrive at Five**, a collective impact model for helping children and families in Stoke; 2) the **Care Leaders' Fellowship** for youth participation workers in Local Authorities developing projects with care-experienced young people; and 3) the **National Children in Care Council run by Coram Voice** to engage young people with care experience from all backgrounds and geographies in shaping policy. We also extended our support for two promising projects: 1) the scale-up of the **Anna Freud Centre's Reflective Fostering Programme** - a training programme to support foster carers; and 2) **Zone West**, a coordinated approach to improving outcomes for vulnerable children in the North-East of England.

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## Trustees' report for the year ended 31 December 2020

Having made an investment in the start-up of **Acumen Academy** in 2019, we were pleased to see the first cohort of Fellows selected - a diverse set of change makers from across the UK tackling issues of poverty and inequality.

Details of all new grants made in 2020 can be found below.

**Advocacy and campaigning** - many of The Trust's partners use evidence from their services and the experiences of those they support to drive for change in systems and practices that do not meet the needs of children and families. *Family Rights Group* is a leading advocate for kinship care families and 2020 saw the publication of a Kinship Care Parliamentary Taskforce inquiry report, with a series of recommendations for Government, local authorities and other public agencies to help deliver a vision for kinship care.

**Open Data** - as part of our commitment to being an open and transparent funder, in 2020 we worked with the 360Giving Initiative to publish our grants data from 2014. We also launched our first [website](#) outlining our aims, values and processes and listing our current charity partners.

**Collaboration and learning** - the Trust became a member of the Association of Charitable Foundations (ACF) in 2020. We attended ACF's National Conference and joined a number of groups; for example, the Children and Young People Network, the Refugee and Asylum Network and the Small Funders Network. We participated in peer learning sessions and engaged with ACF's work on the [pillars of stronger foundations](#), including workshops on Diversity, Equity and Inclusion (DEI). DEI is central to Segelman's charitable mission, and we have continued to consider how we are using our independence and assets to play a role in removing barriers for those who are marginalised or underrepresented. This is an ongoing piece of our work and we have recently undertaken anti-racism training.

### Structure Governance and Management

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

On 20 March 2020, the Charity Commission gave consent for the registration of a newly established Charitable Incorporated Organisation (CIO), called The Segelman Trust (new 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 were transferred as a going concern into The Segelman Trust CIO (Charity Registration Number: 1188686). As from midnight on 31 December 2020, the charitable trust became dormant and it is expected that an application will be made to have the charitable trust removed from the Central Register of Charities in due course.

The objects of the CIO are the same as those of the Trust which it will replace.

### 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 plus two additional meetings: one of the Trust and one of the CIO in order to authorise the transfer of assets and liabilities of the Trust to the new charity.

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.

# The Segelman Trust

## Trustees' report for the year ended 31 December 2020

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### Decision-making

The trustees hold ultimate responsibility for the policies, activities and assets of the charitable trust and also of its successor charity: they agree the grant-making strategy and policies of the trust, review funding proposals, approve grants, assess grant-holder progress, review financial performance of the investment portfolio and agree investment policies. When necessary, the trustees seek advice and support from professional advisers, including investment managers and auditors, both of whom attend one meeting annually.

### Management

Since July 2017, the day-to-day management and operations of the charitable trust have been supported on a part-time basis by an independent consultant with experience in grant-making and a freelance book-keeper. This arrangement has continued in 2020 and will also continue under the new CIO in 2021.

### Objectives and Activities

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

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

### Grant-making policy and aims

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

The Trust and the CIO take a proactive approach to identifying organisations and projects and is unable to consider unsolicited applications. This approach fits with the Trust's desire to award a small number of grants each year where it feels it can make a significant impact, and to maintain a limited administrative function. We work in consultation with our charity partners, funding partners and other experts to learn about new opportunities and organisations filling critical gaps.

The Trust and the CIO uses its resources where it feels they can be effective to help people who are particularly vulnerable, disadvantaged and marginalised. Since 2018, we have developed a particular focus on children and young people with care experience and families with multiple and complex needs requiring additional support to foster and maintain a positive family life. At the trustees' discretion, grants are also made to organisations working in other spheres, where they are carrying out bold and innovative work to address social inequity.

The trustees aim to fund a mixture of frontline service delivery and advocacy work by charities that promote the voices and lived experiences of their beneficiaries to transform the wider system.

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

We look for a set of key characteristics in the organisations we fund. The Trust seeks to partner with charities that are rooted in the communities they serve, that listen and co-create with young people and families, which focus on well-being and positive relationships and which provide consistent, long-term support. We look for charity partners who can articulate clear objectives, have a framework for understanding their effectiveness and adapting in line with their learning, demonstrate well-targeted use of their resources, act with openness and transparency and are committed to sharing their learning with others.

# The Segelman Trust

## Trustees' report for the year ended 31 December 2020

For our part, we endeavour to provide flexible and timely support to our grant-holders to enable them to achieve their objectives. We aim to balance the need to provide long-term funding for organisations undertaking complex work while using our resources to fund new and innovative approaches. We seek to build a relationship of mutual trust with grant-holders by acting with openness, transparency and respect for their expertise and time.

### Achievements and Performance

In 2020, the Trust made payments to 21 charitable organisations totaling £760,283 (2019 - £960,000) and had outstanding commitments, before the transfer to the newly formed Charitable Incorporated Organisation (CIO), at the year-end for future payments of £1,204,000 (2019 - £800,000). It is anticipated that payments will be made in 2021 (£784,000), 2022 (£260,000) and 2023 (£160,000) by the CIO.

Over the year, the Trust awarded 15 new grants plus 4 Covid response grants to existing partners. The total award for all new grants (including single and multi-year, excluding Covid response grants) ranged from £12,000-£175,000; the median total grant was £80,000 and the median annual disbursement was £38,000.

All grant-holders provided an annual progress report sharing key achievements, progress against their objectives, learning and challenges, financial position and future priorities and plans.

In 2020, new grants included:

#### **Anna Freud National Centre for Children and Families - Reflective Fostering Programme**

The Reflective Fostering Programme (RFP) was developed by the Anna Freud Centre to improve outcomes for children in care by providing better support to their carers. This group-based programme provides foster carers with practical ways to help build and maintain supportive relationships with the children in their care. In 2018, Segelman Trust supported a pilot of the RFP in Kent and in 2020 we committed to support the nationwide scale-up and evaluation.

#### **Blue Cabin**

Blue Cabin aims to improve outcomes for young people in care and care leavers by nurturing their sense of identity and meaningful relationships. The organisation places creativity at the heart of this process and develops programmes with local artists for care experienced young people and for the carers and other adults who play a part in their lives. Blue Cabin seeks to add to an evidence base about the power of creative activities to improve outcomes for care experienced children and young people. In 2020, Segelman provided a first grant to Blue Cabin to support the organisation's growth and development.

#### **Care Leaders Fellowship**

Care Leaders' one-year fellowship programme brings together those working in youth engagement and participation who want to create a meaningful project with young people with care experience. The Care Leaders Fellowship provides input from influential social care, entrepreneurship and business leaders, online workshops, coaching and industry standard qualifications to equip Fellows with all they need to build and share effective local projects with young people. The Trust provided support for the development of the first year of the Fellowship.

#### **Coram Voice - National Children in Care Council**

Coram Voice works to improve the lives of children in care and care leavers by ensuring these young people's voices are heard in decisions that matter to them. In 2020, the charity began developing a National Children in Care Council, ensuring that children and young people from all parts of the UK and at all stages of the care system have a forum to come together to improve the care system. Segelman is contributing to core costs for the first three years of the project.

#### **Family Gateway**

Family Gateway supports families living in the most deprived communities of the North East of England who have significant barriers to engaging or accessing services and who face inequalities because of their circumstances. The charity's ultimate aim is to build a safe and stable home environment so that children's life chances can be improved through parents and carers living their best life. At the core of all their work is the Barefoot Professional model that employs local people who have experienced and overcome similar issues and trains them to offer bespoke packages of whole family support. Segelman funds are being used for core costs and to support the refinement of the charity's family support worker model.

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## Trustees' report for the year ended 31 December 2020

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### Thrive at Five

Thrive at Five is a collective impact initiative created to ensure that children from low-income backgrounds do not start school at a disadvantage. A collective investment fund will be used to support place-based strategies and programmes, linking charities, local authorities and funders around shared goals and measurement for children. Stoke has been identified as the first location for Thrive at Five. Segelman is providing unrestricted support for the development of the programme.

In 2020, the Trust also extended or renewed funding for existing organisations and projects:

**Refugee Action** for its work with refugees and asylum-seeking children and families in Bradford;

**Safe Lives** for its whole family response to preventing and challenging domestic abuse;

**The Matthew Tree Project** for its Rebuilding Lives programme in Bristol, which provides food plus support to those facing hardship and isolation;

**West London Zone** to support the growth and expansion of its model to help children and young people get on track to thrive in adulthood; and

**Zone West** for the pilot of its model to identify and support children with multiple, unmet needs in the West End of Newcastle.

Covid response grants were made to the following charities: **Quaker Social Action**, **Clean Start**, **Street Life** and **Love Barrow Families**. We also made a grant to **Little Village**, a charity that gifts donations of baby clothes, toys and other essential items to families in challenging circumstances. Our funds helped fund a warehouse space as the charity pivoted its model to provide a delivery service for families in need during Covid-19.

### Long-term instrument loans

#### Ashmolean Museum

On 13 July 2015 the trustees entered into an agreement to lend the charity's most valuable instrument, the 1722 Stradivarius violin "Rode", to the Ashmolean Museum. It was lent for an initial period of 5 years and is on show in the newly refurbished musical instrument galleries, where it is a key element of the most important permanent exhibition of stringed instruments in the United Kingdom. In June 2020, the trustees agreed to extend the loan for another 5 years. The trustees have agreed that it may be made available to be played, on condition that their approval is obtained. The same arrangement will be in place for the CIO.

#### Royal College of Music (2016 loan)

In March 2016, a 1758 violin in its original set-up by Gagliano was lent to the Royal College of Music for an initial period of 5 years, where it is made available to students of baroque performance. The same arrangement is in place for the CIO.

#### Instrument donation

On 4 September 2019, the Segelman Trust was pleased to make an award of three English violins (two Heesoms and one Betts) to the Royal College of Music.

### Looking ahead

In 2021, the newly formed CIO will continue to take a proactive approach to identifying charity partners. Our decision not to open up to applications is due to our scale; we have a relatively small number of grants available each year (10-15) and this approach enables us to maintain a small administrative function. We continue to try to balance this targeted approach with a grant-making process that is inclusive. This can be challenging outside an application process, but we seek input from the organisations we fund and rely on the insights and ideas of those with lived experience to shape our priorities. We hope that by acting with transparency and openness in our relationships with those we fund and others in the sector, we can increase engagement and achieve more in spite of our size and limitations.

The challenges facing young people with care experience, young parents and vulnerable families at the 'edge of care' have been exacerbated by the pandemic and we will continue to focus our grant-making in this area. The Independent Review of Children's Social Care in England taking place in 2021-2022 is described as a 'once in a



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## Trustees' report for the year ended 31 December 2020

generation opportunity to transform the children's social care system and improve the lives of children and their families'. Segelman has shared its experiences with the Review team and hopes the Review will live up to the hopes placed in it by the care experienced community. We will look for opportunities to collaborate with funders and other partners in supporting plans for a better care system.

In 2021, the CIO will also invest in projects supporting expectant and new parents with complex needs experiencing social services involvement and parents who have experienced repeat removals of their children. Improving the ways in which we respond to families in need can have a lasting impact on outcomes for children and parents.

We are at an early stage of our journey in strengthening our practice in relation to diversity, equity and inclusion. The direct link to our charitable mission is clear: we want to remove barriers for people who have been marginalised and excluded. This objective is central to the work of our charity partners and we will support and learn from them as they recognise and address issues of racism and inequality in their scope of work and influence. Our support for Acumen Academy UK is part of our commitment to amplify diverse voices. We will continue to ask questions of ourselves about how we are using our assets and independence to increase access and to ensure our commitment to anti-racism is supported in our actions.

In 2021, operating as a CIO, we will continue to focus on developing an operation that is efficient but ambitious and effective, working with an open mind and learning lessons from everything we do.

### Financial Review

The financial activities are summarised on page 14 of the accounts. During the year, the Trust received total income of £1,129,074. Expenditure before the transfer to the newly formed Charitable Incorporated Organisation (CIO) totaled £1,538,998 of which £1,255,711 was expended on charitable activities. The net expenditure for the period, before realised and unrealised gains on the investments and the transfer to the newly formed CIO was £409,924 (2019 - net expenditure of £328,820).

The transfer of the assets and liabilities to the newly formed CIO at midnight on 31 December 2020 increased expenditure by £51,412,414 to give total expenditure for the year of £52,951,412.

Net expenditure after the transfer to the CIO and before net investment losses amounted to £51,822,338 (2019 - net expenditure £328,820). Net investment losses for the year totaled £690,171 (2019 - investment gains £2,813,275)

### Investments

The Trust has a portfolio of listed investments (including cash awaiting investment), that had a market value of £26,809,913 at 31 December 2020 (2019 - £28,790,467) before transfer to the CIO. The investments were managed by Walker Crips Stockbrokers Limited, whose performance was monitored through quarterly reports and regular meetings.

In line with many others within the charity sector, the trustees have taken the view that the trust's charitable objects would be better served by adopting a more overtly socially and economically responsible investment strategy. The Trustees reviewed the investment management arrangements and went out to tender in November 2020. After meeting with three leading charity investment managers in December 2020, it was decided to appoint Sarasin & Partners, who will manage the investments for the CIO. The trustees wish to place on record their thanks and appreciation to Nicholas and Daniel Jacobs of Walker Crips for their helpful advice and care in managing the trustees' investments since the trust came into being.

The Trust and its successor CIO have 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

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## Trustees' report for the year ended 31 December 2020

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enable the Trust to fulfil its objects more effectively.

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

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

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

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

### Performance

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

The trustees are in regular contact with their investment advisers. Monthly portfolio valuations are provided and an annual written report and oral presentation is given to the trustees.

During 2020, the value of the trustees' investment portfolio reduced in line with market movements. The coronavirus pandemic caused considerable volatility during the year with markets trying to assess the effect of the virus itself and measures taken to contain it. Sharp falls were followed by equally sharp recoveries, with markets often reflecting where we were in the lockdown/open for business cycle. At the end of the year the investment portfolio had fallen by 7%, standing at £26,809,913.

In addition, at 31 December 2020, the Trust had four investment properties, three of which were assented, two during 2002 and the third during 2004. The fourth property, Potters Way, was purchased during 2006 at market value from Philip and Penny Segelman. The trustees agreed in 2020 to sell the Potters Way property and the sale of the property is ongoing in 2021. All of the other properties are currently rented out to tenants at a market rent. The investment properties were revalued during 2014 and the trustees do not believe there has been any material change to those values between that date and the end of 2020. The properties were all transferred to the newly formed CIO at midnight on 31 December 2020.

### Programme Related Investments

The Trust and its successor CIO rent 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. These loans will continue under the CIO.

### Reserves Policy

The activities, assets and liabilities of the charitable trust were transferred to the new Charitable Incorporated Organisation (CIO) with effect from midnight on 31 December 2020. At that date and time therefore, the net assets of the charitable trust became zero. It is the intention that the charitable trust will remain dormant for a short

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## Trustees' report for the year ended 31 December 2020

period before an application is made to remove it from the Central Register of Charities. Hence, the charitable trust will not require reserves in the future.

### 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 charity, and now the CIO, is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees' work on risk assessment has been formally documented and is subject to regular ongoing review.

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

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

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

The charity and its successor CIO have 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

21 September 2021  
.....  
Date

# The Segelman Trust

## Statement of trustees' responsibilities

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

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

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the relevant Charity (Accounts and Reports) Regulations and the provisions of the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# The Segelman Trust

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

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### Opinion

We have audited the accounts of The Segelman Trust (the 'charity') for the year ended 31 December 2020 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 2020 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.

With effect from midnight on 31 December 2020, the activities, assets and liabilities of the charitable trust were transferred as a going concern to a newly formed Charitable Incorporate Organisation (CIO), The Segelman Trust (Charity Registration Number: 1188686). As from this date, the charitable trust became dormant and it is expected that an application will be made to have the charitable trust removed from the Central Register of Charities in due course.

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

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

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### Other information

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

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

We have nothing to report in this regard.

### Matters on which we are required to report by exception

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

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

### Responsibilities of trustees

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

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

### Auditor's responsibilities for the audit of the accounts

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

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

# The Segelman Trust

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

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

#### *How the audit was considered capable of detecting irregularities including fraud*

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

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

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

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

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

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

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

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

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

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

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

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

# The Segelman Trust

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

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### 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 21 October 2021

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 2020

	Notes	Unrestricted Funds	
		Total 2020 £	Total 2019 £
<b><u>Income from</u></b>			
Other trading activities	2	839	1,036
Investments	3	1,070,126	1,322,905
Net gain on remeasurement of foreign currency monetary assets		43,692	-
Net gain on remeasurement of foreign currency Segelman Trust GmbH debt		14,417	-
<b>Total income</b>		<b>1,129,074</b>	<b>1,323,941</b>
<b><u>Expenditure on</u></b>			
Raising funds	4	283,287	306,222
Charitable activities	5	1,255,711	1,259,467
Net loss on remeasurement of foreign currency monetary assets		-	84,141
Net loss on remeasurement of foreign currency Segelman Trust GmbH debt		-	2,931
		<b>1,538,998</b>	<b>1,652,761</b>
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	18	51,412,414	-
<b>Total expenditure</b>		<b>52,951,412</b>	<b>1,652,761</b>
<b>Net expenditure before net (losses) / gains on investments</b>		<b>(51,822,338)</b>	<b>(328,820)</b>
Net (losses) / gains on investments		(690,171)	2,813,275
<b>Net (expenditure)/income and net movement in funds</b>		<b>(52,512,509)</b>	<b>2,484,455</b>
Fund balances brought forward at 1 January 2020		52,512,509	50,028,054
<b>Fund balances carried forward 31 December 2020</b>		<b>-</b>	<b>52,512,509</b>

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

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

All of the charity's activities derived from continuing operations during 2019.

# The Segelman Trust

## Balance sheet as at 31 December 2020

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Investments	8	-	42,125,750		
Programme related investments	9	-	9,635,640		
			-		51,761,390
<b>Current assets</b>					
Debtors	11	-	253,394		
Cash at bank and in hand		-	1,431,407		
			-		1,684,801
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	12	-	(653,682)		
<b>Net current assets</b>			-		1,031,119
<b>Total assets less current liabilities</b>			-		52,792,509
<b>Creditors: amounts falling due after more than one year</b>	13		-		(280,000)
<b>Net assets</b>			-		52,512,509
<b>Income funds</b>					
Unrestricted funds			-		52,512,509

The accounts were approved by the trustees on

Wilson Cotton  
.....  
Trustee

21 September 2021  
.....  
Date

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# The Segelman Trust

## Statement of cash flows for the year ended 31 December 2020

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	Notes	£	2020 £	£	2019 £
Cash flows used in operating activities	14		(1,197,020)		(1,408,269)
<b>Cash flows provided by investing activities</b>					
Investment Income	15	1,070,126		1,322,905	
Payments to acquire investments		(4,220,631)		(2,221,851)	
Receipts from disposal of investments		4,931,188		1,372,150	
Donation of instruments		-		28,823	
			<u>1,780,683</u>	<u>502,027</u>	
<b>Increase / (decrease) in cash and cash equivalents</b>			<b>583,663</b>		<b>(906,242)</b>
Cash and cash equivalents at 1 January 2020			3,555,244		4,545,627
Change in cash and cash equivalents due to exchange rate movements			43,692		(84,141)
Cash transferred to The Segelman Trust CIO (Charity Registration Number 1188686)			(4,182,599)		-
<b>Cash and cash equivalents at 31 December 2020</b>			<u>-</u>		<u>3,555,244</u>

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

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### 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 2020 with comparative information given in respect to the year to 31 December 2019.

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.

On 20 March 2020, the Charity Commission gave consent for the registration of a newly established Charitable Incorporated Organisation (CIO), called The Segelman Trust (new 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 were transferred as a going concern into The Segelman Trust CIO (Charity Registration Number: 1188686). As from midnight on 31 December 2020, The Segelman Trust became dormant and it is expected that an application will be made to have the charitable trust removed from the Central Register of Charities in due course.

The trustees of the charitable trust, who are also 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

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

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to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 December 2021, as described in the trustees' report, the charitable trust will remain dormant for a period of time prior to an application being made to the Charity Commission to remove it from the Central Register of Charities. With regard to the first accounting period for the CIO (ie the period ending 31 December 2021) 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.

### 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.

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

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

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### 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.

#### Investments

Listed investments are included on the balance sheet at their mid-market value at the end of the financial year.

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

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.

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.

#### 1.7 Programme related investments

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

#### 1.8 Debtors

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

#### 1.9 Cash at bank and in hand

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

#### 1.10 Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

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### 1 Principal accounting policies (continued)

#### 1.11 Foreign currency translation

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

#### 1.12 Fund accounting

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

### 2 Other trading activities

	2020	2019
	£	£
Income received from book sales	<b>839</b>	1,036

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### 3 Income from investments

	2020	2019
	£	£
<b>Investment income</b>		
Income from listed investments	<b>862,407</b>	1,069,823
Rental income from investment properties	<b>133,022</b>	150,637
Property insurance reimbursement	-	2,106
Rental income from musical instruments	<b>73,183</b>	91,148
<b>Bank and other interest</b>		
Bank interest	<b>158</b>	1,151
Interest on cash held by investment managers for re-investment	<b>1,356</b>	8,040
	<b>1,070,126</b>	1,322,905

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# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

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<b>4 Raising funds</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Instrument insurance	28,118	27,516
Instrument maintenance	2,454	3,559
Investment management fees	183,956	193,090
Property rental expenses	58,696	64,129
Adjustment in respect of prior year	-	7,814
Support and governance costs		
Bank charges	88	139
Legal fees	9,975	9,975
	<u>10,063</u>	<u>10,114</u>
	<u>283,287</u>	<u>306,222</u>
<b>5 Charitable activities</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Grants payable to institutions (see below)	1,164,283	1,070,000
Support and governance costs		
Accountancy fees	3,192	4,400
Auditor's fees	14,460	9,780
Legal fees	23,687	11,361
Segelman Trust GmbH	4,202	2,795
Grants administration costs	36,308	31,056
IT equipment & software	168	700
Provision for bad & doubtful debts	-	95,900
Loan repayments from beneficiaries	(1,200)	-
Donation of violins to Royal College of Music	-	28,823
Sundry	10,611	4,652
	<u>91,428</u>	<u>189,467</u>
	<u>1,255,711</u>	<u>1,259,467</u>

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# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

### 5 Charitable activities (continued)

	2020 £	2019 £
Grants to institutions comprise:		
Action for Happiness	60,000	-
Acumen Academy UK	-	120,000
Anna Freud	175,283	-
The Big House	-	25,000
Blue Cabin	32,000	-
Care Leaders Fellowship	12,000	-
Coram Voice for the New Belongings Programme	-	100,000
Coram Voice NCICC	105,000	-
Drive Project	-	75,000
Drive Forward Foundation	-	105,000
Family Gateway	120,000	-
Handel House Trust	2,000	-
Little Village	20,000	-
Lighthouse	-	30,000
Love Barrow Families	127,000	90,000
The Matthew Tree Project	20,000	-
Quaker Social Action	5,000	-
Refugee Action	100,000	-
Resurgo Clean Start	5,000	90,000
Safe Families for Children	-	100,000
Safe Lives	50,000	-
St Michael's Fellowship	-	90,000
Smart Works Extension	-	105,000
Street Life Trust	1,000	-
Thrive at Five	120,000	-
West London Zone	150,000	-
WILD Young Parents Project	-	90,000
Zone West	60,000	50,000
	<u>1,164,283</u>	<u>1,070,000</u>
Commitments made in the period	1,164,283	1,070,000
Grants paid during the period	(760,283)	(960,000)
Commitments at 1 January 2020	800,000	690,000
	<u>1,204,000</u>	<u>800,000</u>
Commitments at 31 December 2020, prior to transfer to CIO	1,204,000	800,000
Commitments prior to transfer to CIO at 31 December 2020 are		
Within one year (note 13)	784,000	520,000
After more than one year (note 14)	420,000	280,000
	<u>1,204,000</u>	<u>800,000</u>

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

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### 6 Key management personnel

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

In July 2017, the trustees contracted a part-time grants administrator to take on the administration of the charity and to support the trustees in their grant-making by conducting research, due diligence and grant monitoring and evaluation. In October 2017 the trustees contracted a part-time bookkeeper.

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

T D White was a partner with the solicitors firm of White & Co during the year. This firm provided legal advice and services to the charity during the year. Total fees payable to the firm during the year were £21,000 (2019 - £21,000). At the year-end there were £42,000 fees outstanding.

R Eastmond was a director with the firm Greenwood Place during the year. This firm provided office facilities for the part-time grants administrator. The total fees payable to the firm during the year were £9,058 (2019 - £4,176). At the year end there were no fees outstanding (2019 - none).

W P Cotton was a partner with the accountancy firm of Smith & Williamson LLP until March 2019. This firm provided bookkeeping, taxation and financial advice and services to the charity until March 2019. The total fees payable to the firm during the year were £nil (2019 - £912). At the year end there were fees of £nil outstanding (2019 - £nil).

### 7 Employees

#### Number of employees

There were no employees during the period (2019 - none).

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

### 8 Fixed asset investments

	2020	2019
	£	£
At 31 December 2020 fixed asset investments comprised		
Freehold investment properties	-	3,345,000
Leasehold investment properties	-	962,500
Musical instruments held for investment purposes	-	9,018,796
Listed investments and cash held for re-investment	-	28,790,467
Unquoted shares	-	8,987
	<u>-</u>	<u>42,125,750</u>

Movements on each category of investment are summarised below.

#### 8.1 Freehold investment properties

	2020	2019
	£	£
Market value at 1 January 2020	3,345,000	3,345,000
Unrealised gains	-	-
Transfer to The Segelman Trust CIO (Charity Registration Number:1188686)	(3,345,000)	-
Market value at 31 December 2020	<u>-</u>	<u>3,345,000</u>
Cost at 31 December 2020	<u>-</u>	<u>978,792</u>

Prior to the transfer, the investment properties were 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

	2020	2019
	£	£
Market value at 1 January 2020	962,500	962,500
Unrealised gains	-	-
Transfer to The Segelman Trust CIO (Charity Registration Number:1188686)	<u>(962,500)</u>	<u>-</u>
Market value at 31 December 2020	<u>-</u>	<u>962,500</u>
Cost at 31 December 2020	<u>-</u>	<u>358,663</u>

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

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

### 8 Fixed asset investments (continued)

#### 8.3 Musical instruments held for investment purposes

	2020 £	2019 £
Market value at 1 January 2020	9,018,796	9,236,133
Disposals	-	(28,823)
Net investment gains / (losses)	559,331	(188,514)
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	(9,578,127)	-
Market value at 31 December 2020	-	9,018,796
Cost at 31 December 2020	-	5,677,381

Prior to the transfer to the CIO, the market value of the musical instruments held for investment purposes were based on insurance values at 31 December 2020. The trustees are of the opinion that such values are not materially different from open market values. The instruments are situated in Switzerland and the UK.

On 4 September 2019 the trustees were pleased to gift two Heesom and one Betts violins to the Royal College of Music. These violins had a total value of £28,823.

#### 8.4 Listed assets and cash held for reinvestment

	2020 £	2019 £
Market value at 1 January 2020	26,666,630	22,598,367
Disposal proceeds	(4,931,188)	(1,372,150)
Additions	4,220,631	2,221,851
Net investment (losses) / gains	(1,892,680)	3,218,562
Market value at 31 December 2020	24,063,393	26,666,630
Cash held by investment managers for re-investment	2,746,520	2,123,837
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	(26,809,913)	-
	-	28,790,467
Cost of listed investments at 31 December 2020	-	20,209,048

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

### 8 Fixed asset investments (continued)

All listed investments held at 31 December 2020, immediately prior to the transfer to the CIO, were dealt on a recognised stock exchange and comprised the following:

	2020	2019
	£	£
OEICs	1,628,832	3,323,929
UK interest bearing securities	2,461,648	2,432,465
UK equities	13,690,153	14,608,875
Overseas equities	6,282,760	6,301,361
	<u>24,063,393</u>	<u>26,666,630</u>

### 8.5 Unquoted shares

	2020	2019
	£	£
Market value at 1 January 2020	8,987	8,987
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	(8,987)	-
	<u>-</u>	<u>8,987</u>

The unquoted shares represented the charity's and its successor 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 2020 is detailed in note 18. At 31 December 2020 the called up share capital and reserves were £86,754 (2019 - £74,791).

The company is related to the charity and the CIO by virtue of the fact that it is controlled by the trustees of the charity and the CIO. Immediately prior to the transfer to the CIO on 31 December 2020, the company owed the charity £296,936 (2019 - £215,992). Consolidated accounts have not been prepared as the company is deemed immaterial to the results of the group.

### 9 Programme related investments

	2020	2019
	£	£
Market value at 1 January 2020	9,635,640	9,852,413
Net gains / (losses) arising on foreign currency translation	643,178	(216,773)
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	(10,278,818)	-
	<u>-</u>	<u>9,635,640</u>
Market value at 31 December 2020	-	9,635,640
Cost at 31 December 2020	-	2,637,000

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

### 9 Programme related investments (continued)

On 14 July 2015 the trustees of the charitable trust and 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 charitable trust and 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.

### 10 Revaluation reserve

The total unrealised gains at 31 December 2020, immediately prior to the transfer to the CIO, were £23,212,907 (2019 - £22,107,812). These unrealised gains constitute movements on revaluation and were as follows:

	2020	2019
	£	£
<b>Unrealised gains included above:</b>		
On listed investments	8,698,388	8,795,802
On investment properties	2,970,045	2,970,045
On musical instrument investments	4,140,395	3,581,064
On programme related investments	7,404,079	6,760,901
<b>Total unrealised gains at 31 December 2020</b>	<b>23,212,907</b>	<b>22,107,812</b>
	£	£
<b>Reconciliation of movements in unrealised gains</b>		
Unrealised gains at 1 January 2020	22,107,812	19,351,771
Unrealised (losses) / gains on listed investments arising in the year	(97,414)	3,161,328
Unrealised gains / (losses) on musical instrument investments arising in the year	559,331	(188,514)
Unrealised gains / (losses) on programme related investments arising in the year	643,178	(216,773)
<b>Total unrealised gains at 31 December 2020</b>	<b>23,212,907</b>	<b>22,107,812</b>

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 2020

### 11 Debtors

	2020	2019
	£	£
Loans receivable from beneficiaries	371,183	371,183
Provision for bad debts	(371,183)	(371,183)
	-	-
Rental income due	1,990	20,402
Interest receivable	-	1,972
Amount due from Segelman Trust GmbH	296,936	215,992
Investment income not received at year end	6,757	-
Prepayments and accrued income	19,859	15,028
	325,542	253,394
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	(325,542)	-
	-	253,394

### 12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Auditor's fees		
Buzzacott LLP	12,120	12,120
Investment management fees		
Walker Crips Stockbrokers Limited	44,228	47,696
Legal fees		
White & Co	42,000	42,000
Grants payable (note 6)	784,000	520,000
Accrued property expenses	1,277	2,213
Deferred income	12,500	25,181
Freelance creditors	15,367	4,125
IT costs	513	347
Training	547	
	912,552	653,682
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	(912,552)	-
	-	653,682

### 13 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Grants payable (note 6)	420,000	280,000
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	(420,000)	-
	-	280,000

# The Segelman Trust

## Notes to the accounts for the year ended 31 December 2020

### 14 Net cash flows used in operating activities

	2020	2019
	£	£
Reconciliation to changes in resources		
Net movement in funds per statement of financial activities (page 13)	(52,512,509)	2,484,455
Net investment losses / (gains)	690,171	(2,813,275)
Interest receivable	(1,514)	(9,191)
Investment income	(1,068,612)	(1,313,714)
Exchange rate movements on cash and cash equivalents	(43,692)	84,141
Exchange rate movements on Segelman Trust GmbH	(14,417)	2,931
(Increase)/decrease in debtors	(57,731)	20,594
Increase in creditors	398,870	135,790
Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	51,412,414	-
	<u>(1,197,020)</u>	<u>(1,408,269)</u>

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

	2020	2019
	£	£
Interest received	1,514	9,191
Investment income received	<u>1,068,612</u>	<u>1,313,714</u>
	<u>1,070,126</u>	<u>1,322,905</u>

### 16 Analysis of net cash and cash equivalents

	At 1 January 2020	Cash flows	Non-cash movements	Transfer to The Segelman Trust CIO (Charity Registration Number: 1188686)	At 31 December 2020
	£	£	£	£	£
Cash at bank and in	1,431,407	(82,380)	87,052	(1,436,079)	-
Cash held by investment managers	2,123,837	666,043	(43,360)	(2,746,520)	-
	<u>3,555,244</u>	<u>583,663</u>	<u>43,692</u>	<u>(4,182,599)</u>	<u>-</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 2020

### 17 Segelman Trust GmbH - financial statements for the year ended 31 December 2020

	2020	2019
	£	£
Income	111,768	134,438
Less: expenses	(97,056)	(117,579)
<b>Net profit before taxes</b>	<b>14,712</b>	<b>16,859</b>

The net equity of the company at 31 December 2020 totaled £86,754 (2019 - £74,791).

### 18 Connected charity transactions

All the trustees of the charitable trust are also trustees of The Segelman Trust CIO, a Charitable Incorporated Organisation, registered with the Charity Commission (Charity Registration Number: 1188686). With effect from midnight on 31 December 2020, the activities, assets and liabilities of the Charitable Trust were transferred to the CIO. The net assets at that date comprised:

	2020
	£
Fixed Assets	
- Investments (Note 8)	40,704,527
- Programme Related Investments (Note 9)	10,278,818
Debtors (note 11)	325,542
Cash at bank and in hand	1,436,079
Creditors: amounts falling due within one year (note 12)	(912,552)
Creditors: amounts falling due after one year (note 13)	(420,000)
	<u>51,412,414</u>

The assets and liabilities were represented by the following fund:

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