

THE SIR GEORGE MARTIN TRUST

FINANCIAL STATEMENTS

for the year ended

5 APRIL 2018

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THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT

for the year ended

5 APRIL 2018

The Directors of the Trustee company present their report and the audited financial statements of the charity for the year ended 5 April 2018. The Trust has adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting of Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Status

The Sir George Martin Trust is a registered charity under number 223554. The governing document is a Trust Deed dated 10 December 1956.

Registered office

6 Firs Avenue
Harrogate
HG2 9HA

Trustee

The sole Trustee of the charity is Sir George Martin Trust Company Limited. This appointment is the only activity of the company.

The Directors of the Trustee company are:

T D Coates Chairman
R F D Marshall
M Bethel
P D Taylor MBE
M J Martin
M L Whyte
S Blenkinsop (appointed 9 March 2018)

The registered office is as above. The company registered number is 540045

Trust manager

The Directors of the Trustee company have delegated the day to day management of the Trust to C L Marshall.

Auditor

Wheawill & Sudworth Limited
Chartered Accountants
35 Westgate
Huddersfield
HD1 1PA

Solicitors

Gordons
Riverside West
Whitehall Road
Leeds
LS1 4AW

THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT (continued)

for the year ended

5 APRIL 2018

Bankers

HSBC plc
PO Box 45
47 Market Street
Bradford
BD1 1LW

Investment advisers

Rathbone Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Establishment and History

The Trust was founded by the late Sir George William Martin (the Settlor), a wealthy Leeds businessman with many interests in the charitable sector, by means of a Trust Deed dated 10 December 1956 under which the Settlor declared that Sir George Martin Trust Company Limited (the Trustee) should hold the Trust funds on trust for such charitable institutions or such charitable objects as the Trustee should select.

At the time of founding the Trust, Sir George Martin was Chairman of the Leeds Infirmary, the YMCA, a national insurance company and an approved school as well as having a wide interest in other activities such as farming and the countryside. He established the Trust by the transfer of £30,000 of shares which for many years provided an income for mainly local charities in Yorkshire, where he took a keen interest. These included the YMCA, the Yorkshire Symphony Orchestra, the Methodist Homes for the Aged and the Harrogate Festival. Upon his death the residue of Sir George Martin's estate was left to the Trust.

Governance

The Trust is governed in accordance with the provisions of the Trust Deed by the Directors of the Trustee company whose names are listed on page 1 and who meet either three or four times a year.

Administration of the Trust

The administration of the Trust has been carried out by Carla Marshall in her role as Trust Manager very efficiently and with great enthusiasm. She has also carried out a considerable amount of the accountancy work.

Public benefit statement

The Directors of the Trustee company have considered the general guidance on public benefit issued by the Charity Commission in carrying out its objectives and activities and in delivering public benefit to the many institutions provided with financial and general help and are satisfied that the objectives fall under the provisions of the Charities Act 2011.

Achievements and performance

Grants made in the year amounted to £240,500. The total number of individual donations being 140 against 144 grants totalling £227,872 last year. The analysis of grants made in this and previous years is shown in the Annual Analysis of Grant Making on pages 20 to 24.

THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT (continued)

for the year ended

5 APRIL 2018

Other activities

In addition to running the operations of the Sir George Martin Trust and visiting more than 50 charity applicants, the Trust Manager, Carla Marshall continued to play an active role in organising the Yorkshire Grant Makers' Forums (YGMF). These took place at the Hull History Centre in May 2017 and St Stephen's Church Hall in Bradford in November 2017. Delegate numbers continued to be in the 45-50 region and a number of the Trust's Trustees also attended these Forums. As a member of the YGMF steering committee, Carla also led the organisation of the special 25th Anniversary Forum in York which took place in May 2018.

The Trust's involvement with the Yorkshire & Humber Funders' Forum developed further this year as Carla became the administrator for the group and successfully led the steering committee for the second annual Focus on Funding event which took place in Wakefield on the 4th October 2017. The morning event brought together 85 funders and funding advisors to share knowledge and ways of working together more closely. In the afternoon more than 300 front-line voluntary and community organisations joined for a funding fair. Due to the success, the Yorkshire & Humber Funders' Forum agreed to support a third Focus on Funding event which will take place in Hull on the 3rd October 2018. Carla ensured the 2018 funding was secured from the group and a new event steering committee has now taken over the organisation.

The Trust ensured that it maintained a high profile amongst charities in the Leeds area by attending two funding fairs in June and November, which were organised by Voluntary Action Leeds. The Trust also carried out a full update to its website www.sirgeorgemartintrust.org.uk to make it look fresher and easier to navigate. Throughout this financial period the website continued to be in the top three Google searches for 'Yorkshire charitable trusts'.

The Trust also continued its membership of the Association of Charitable Foundations (ACF) and attended their Annual Conference in November, as well as Wrigleys Annual Charity Law Conference in October.

A new Trustee, Sarah Blenkinsop, was appointed in March. Sarah is Martin Bethel's daughter and Martin has been a Trustee for many years. Sarah is the Founder and Managing Director of Golden Frog Public Relations Ltd based in Ripon and she has held a number of voluntary roles including being a fundraiser for the Runswick Bay Rescue Boat and managing the social media and communications for Friends of North Stanley School. She has also supported Ripon-based Jennyruth Workshops and the Milton Keynes charity Ride High which offers disadvantaged and disabled children the chance to learn to horse ride.

Objectives and future policy of the Trust

The objectives are to distribute the income from the Trust fund amongst charities at the absolute discretion of the Directors of the Trustee company. The Directors of the Trustee company therefore have a wide brief but concentrates its giving in West and North Yorkshire, particularly the old West Riding cities of Leeds and Bradford. The intention of the Directors of the Trustee company is to continue the activities of the Trust as an independent charitable Trust.

Financial review

The Trust made a deficit of £150,194 (2017: surplus of £1,107,530) for the year ended 5 April 2018. The result comprised a deficit before transfers of £31,533 (2017: deficit of £41,114) upon the Income funds, with expenditure including grant payments exceeding investment income, and a deficit before transfers of £118,661 (2017: surplus of £1,148,644) upon the Capital funds comprising realised and unrealised net (losses)/gains upon investments held of £102,116 loss (2016: £1,165,334 gain) and associated investment management fees. The Trust's total funds at 5 April 2018 totalled £8,189,281 (2017: £8,339,475).

THE SIR GEORGE MARTIN TRUST

TRUSTEE'S ANNUAL REPORT (continued)

for the year ended

5 APRIL 2018

Financial review (continued)

The deficit before transfers upon the income fund has arisen as historic levels of grant making have been greater than net income. The Directors of the Trustee company have, along with the investment managers, reviewed investment management policy in order to generate greater returns.

Investment policy and performance

Throughout the year the Directors of the Trustee company continued to follow the Trust's formal investment policy which is being reviewed on an annual basis. Rathbones and CCLA continued to achieve a higher level of income from the portfolio, whilst simultaneously protecting the real value of the Trust's assets.

Risk management policy

The Directors of the Trustee company have examined the major strategic, business and operational risks which the Trust faces and have adopted a formal risk management policy.

Reserves policy

The Directors of the Trustee company aim to maintain reserves at an adequate level to provide sufficient working capital to fund the charity's activities.

Trustee's responsibilities

The Directors of the Trustee company are responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to Charities in England and Wales requires the Directors of the Trustee company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Directors of the Trustee company are required to:

- select suitable accounting policies and apply them consistently;
- observe the method and principles in the Charities SORP 2015 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors of the Trustee company are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. The Directors of the Trustee company are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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

THE SIR GEORGE MARTIN TRUST**TRUSTEE'S ANNUAL REPORT** (continued)**for the year ended****5 APRIL 2018****Appointment of Auditor**

A resolution to re-appoint Wheawill & Sudworth Limited as auditor will be proposed at the Annual General Meeting.

On behalf of Sir George Martin Trust Company Limited

T D COATES

29 June 2018

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF
THE SIR GEORGE MARTIN TRUST**

Opinion

We have audited the financial statements of The Sir George Martin Trust for the year ended 5 April 2018 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Trustee in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to the Trustee 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 Trust and the Trustee, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2018, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

THE SIR GEORGE MARTIN TRUST (continued)

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Trustee's annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 4, the Trustee is responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is 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 Trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

THE SIR GEORGE MARTIN TRUST (continued)

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

WHEAWILL & SUDWORTH LIMITED
Chartered Accountants & Statutory Auditor

35 Westgate
Huddersfield
HD1 1PA

29 June 2018

Wheawill & Sudworth Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE SIR GEORGE MARTIN TRUST

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended

5 APRIL 2018

		2018	2017
		Unrestricted	Unrestricted
		Funds	Funds
	Note	£	£
Income and endowments from:			
Investments	2	271,412	245,297
Total income and endowments		<u>271,412</u>	<u>245,297</u>
Expenditure on:			
Investment management fees		33,090	33,379
Charitable activities	3	286,400	269,722
Total expenditure		<u>(319,490)</u>	<u>(303,101)</u>
Net (losses) / gains investments	13	(102,116)	1,165,334
Net movement in funds		<u>(150,194)</u>	<u>1,107,530</u>
Reconciliation of funds:			
Total funds brought forward	16	8,339,475	7,231,945
Total funds carried forward	16	<u><u>8,189,281</u></u>	<u><u>8,339,475</u></u>

All income and expenditure derive from continuing activities.

THE SIR GEORGE MARTIN TRUST

BALANCE SHEET

5 APRIL 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	47	134
Investments	13	8,149,789	8,176,480
		<u>8,149,836</u>	<u>8,176,614</u>
Current assets			
Debtors	14	2,628	4,618
Cash at bank and in hand		50,231	172,725
		<u>52,859</u>	<u>177,343</u>
Creditors: amounts falling due within one year	15	(13,414)	(14,482)
Net current assets		<u>39,445</u>	<u>162,861</u>
Net assets		<u><u>8,189,281</u></u>	<u><u>8,339,475</u></u>
Charity Funds			
Unrestricted funds:			
Capital	16	8,160,662	8,279,323
Income	16	28,619	60,152
Total charity funds	16	<u><u>8,189,281</u></u>	<u><u>8,339,475</u></u>

The financial statements were approved and authorised for issue by the Board on 29 June 2018.

Signed on behalf of the Trustee company

T D COATES)
) Directors
R F D MARSHALL)

The notes on pages 11 to 19 form part of these financial statements.

THE SIR GEORGE MARTIN TRUST
NOTES TO THE FINANCIAL STATEMENTS
5 APRIL 2018

1 Summary of significant accounting policies

(a) General information and basis of preparation

The Sir George Martin Trust is a registered charity in the United Kingdom under number 223554. The governing document is a Trust Deed dated 10 December 1956. The nature of the charity's operations and principal activity is to distribute the income from the Trust amongst charities at the absolute discretion of the Directors of the Trustee company, this is detailed further in the Trustee's report. The address of the registered office is given on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements 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 UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the Directors of the Trustee company in furtherance of the general objectives of the charity and which have not been designated for other purposes.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2018

1 Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes costs of providing services and the payment of grants to the charities beneficiaries ; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment - 2 years straight line

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2018

1 Summary of significant accounting policies (continued)

(g) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(j) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(k) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution pension scheme for the benefit of its employee. Contributions are expensed as they become payable.

(l) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(m) Going concern

The financial statements have been prepared on a going concern basis as the Directors of the Trustee company believe that no material uncertainties exist. The Directors of the Trustee company have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2018

1 Summary of significant accounting policies (continued)

(n) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires judgements, estimates and assumptions to be made which may affect the amounts reported. These estimates and judgements are continually reviewed and are based upon experience and other factors, including expectations of historic events that are believed to be reasonable under the circumstances.

2 Income from investments

	2018	2017
	£	£
Dividends receivable	270,975	241,527
Taxation recoverable	104	3,659
Interest on short term deposits	333	111
	<u>271,412</u>	<u>245,297</u>

3 Analysis of expenditure on charitable activities

	Activities undertaken directly	Support costs	Total	2017
	£	£	£	£
Grant making	<u>240,500</u>	<u>45,900</u>	<u>286,400</u>	<u>269,722</u>

4 Allocation of support costs

Support cost	Basis of allocation	Charitable activities	Total	2017
		£	£	£
Staff costs	Charitable costs	30,583	30,583	28,875
Audit and accountancy costs	Charitable costs	6,075	6,075	6,500
Stationery, telephone and postage	Charitable costs	1,728	1,728	1,642
Website and IT costs	Charitable costs	2,553	2,553	393
Travel and subsistence	Charitable costs	2,571	2,571	2,478
Office costs	Charitable costs	275	275	224
Depreciation	Charitable costs	87	87	167
Memberships	Charitable costs	460	460	324
Insurance	Charitable costs	532	532	693
Bank charges	Charitable costs	270	270	252
Training costs	Charitable costs	766	766	302
Total		<u>45,900</u>	<u>45,900</u>	<u>41,850</u>

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2018

5 Governance costs included within support costs

	2018	2017
	£	£
Staff costs	15,291	14,438
Audit and accountancy costs	3,475	3,900
Stationery, telephone and postage	864	821
Website and IT costs	1,277	196
Travel and subsistence	1,285	1,239
Office costs	137	112
Depreciation	44	84
Memberships	230	162
Insurance	266	346
Bank charges	135	126
Training costs	383	151
	<u>23,387</u>	<u>21,575</u>

These costs are included within expenditure on charitable activities as required by SORP (FRS 102).

6 Analysis of grants

	Grants to institutions	Grants to individuals	Total
	£	£	£
Grants to beneficiaries	<u>240,500</u>	<u>-</u>	<u>240,500</u>

7 Grants to institutions

Further details of grants made to institutions during the year can be found in the Annual Analysis of Grant Making included on pages 20 to 24.

All grants are made to registered charities for grant funded activities.

Major grants made in the year were as follows:

	£
Flourishing Families, Leeds	5,000
Maggies (Maggie Keswick Jencks Cancer Caring Trust)	5,000
Marie Curie Bradford Hospice	5,000
More in Common Batley and Spen (Jo Cox Foundation)	10,000
Prince of Wales Hospice	5,000
The Cathedral, Wakefield	5,000
	<u>35,000</u>
Other grants (134 in total all under £5,000 each)	205,500
	<u>240,500</u>

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2018

8 Net (expenditure) / income for the year

Net (expenditure) / income is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible assets	87	167
Loss/(gain) on fair value movement of investments	102,116	(1,165,334)
	<u> </u>	<u> </u>

9 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £4,075 (2017 - £4,500) and accounts preparation charge of £2,000 (2017 - £2,000).

10 Trustees' and key management personnel remuneration and expenses

The Directors of the Trustee company neither received nor waived any remuneration during the year (2017: £ Nil).

The reimbursement of Directors of the Trustee company's expenses was as follows:

	2018	2017	2018	2017
	Number	Number	£	£
Travel	1	1	246	288
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11 Staff costs and employee benefits

The average monthly number of employees and full time equivalent (FTE) during the year was as follows:

	2018	2018	2017	2017
	Number	FTE	Number	FTE
Raising funds	-	-	-	-
Charitable activities	1	1	1	1
Governance	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The total staff costs and employees benefit's was as follows:

	2018	2017
	£	£
Wages and salaries	30,500	28,875
Social security	83	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

No employees received benefits (excluding employer pension costs) of more than £60,000.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2018

12 Tangible fixed assets

	Office Equipment £	Total £
Cost:		
At 6 April 2017 and 5 April 2018	1,597	1,597
	<u> </u>	<u> </u>
Depreciation:		
At 6 April 2017	1,463	1,463
Charge for the year	87	87
	<u> </u>	<u> </u>
At 5 April 2018	1,550	1,550
	<u> </u>	<u> </u>
Net book value:		
5 April 2018	47	47
5 April 2017	134	134
	<u> </u>	<u> </u>

13 Fixed asset investments

	Listed investments £
Fair value:	
At 6 April 2017	8,176,480
Additions	1,367,327
Disposals	(1,291,902)
Revaluation – net (losses) / gains, realised and unrealised	(102,116)
	<u> </u>
At 5 April 2018	8,149,789
	<u> </u>
Carrying amount:	
At 5 April 2018	8,149,789
	<u> </u>
At 5 April 2017	8,176,480
	<u> </u>

Investments at fair value comprise:

	2018 £	2017 £
Equities	3,683,864	4,323,641
Fixed Interest Funds	701,811	809,936
Managed Funds	3,764,114	3,042,903
	<u> </u>	<u> </u>
	8,149,789	8,176,480
	<u> </u>	<u> </u>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

THE SIR GEORGE MARTIN TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 APRIL 2018

14 Debtors

	2018	2017
	£	£
Taxation recoverable	2,628	4,618

15 Creditors: amounts falling due within one year

	2018	2017
	£	£
Creditors:		
Yorkshire Grant Makers' Forum	2,963	2,447
Focus on Funding	-	26
Rathbones	7,326	8,699
Other	-	60
	<u>10,289</u>	<u>11,232</u>
Accruals	3,125	3,250
	<u>13,414</u>	<u>14,482</u>

16 Fund reconciliation

Unrestricted funds

	Balance at				Gains /	Balance at
	6 April	Income	Expenditure	Transfers	(losses)	6 April
	2017	£	£	£	£	2018
	£					£
Capital fund	8,279,323	-	-	(16,545)	(102,116)	8,160,662
Income fund	60,152	271,412	(319,490)	16,545	-	28,619
	<u>8,339,475</u>	<u>271,412</u>	<u>(319,490)</u>	<u>-</u>	<u>(102,116)</u>	<u>8,189,281</u>

Fund descriptions

Unrestricted funds

The general funds of the charity are available to be distributed at the discretion of the Directors of the Trustee company in furtherance of the objects of the charity.

THE SIR GEORGE MARTIN TRUST**NOTES TO THE FINANCIAL STATEMENTS (continued)****5 APRIL 2018****17 Analysis of net assets between funds**

	Unrestricted funds £	Total £
Fixed assets - tangible	47	47
Fixed assets – investments	8,149,789	8,149,789
Cash at bank and in hand	50,231	50,231
Other current (liabilities)	(10,786)	(10,786)
	<hr/>	<hr/>
Total	8,189,281	8,189,281
	<hr/> <hr/>	<hr/> <hr/>

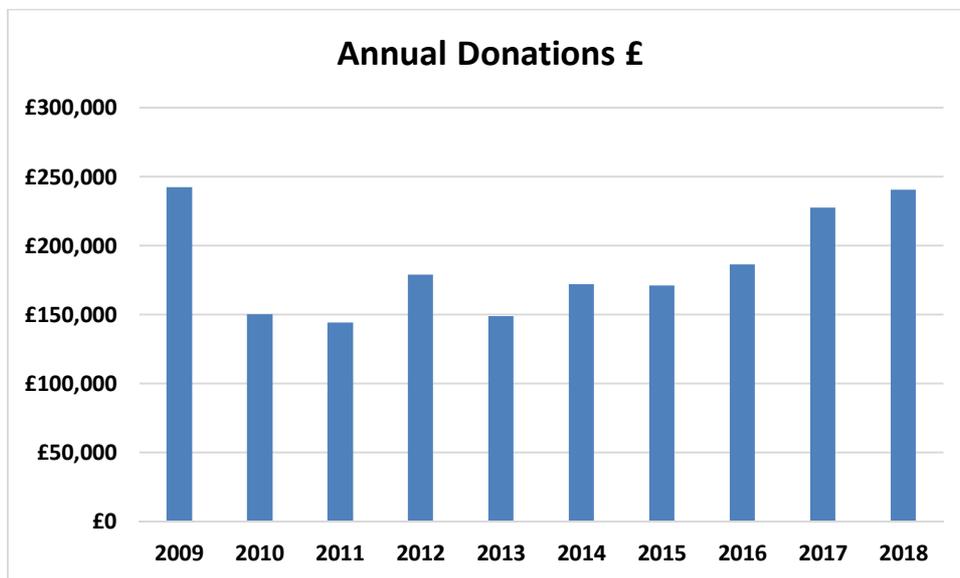


Annual Analysis of Grant Making April 2017 – March 2018

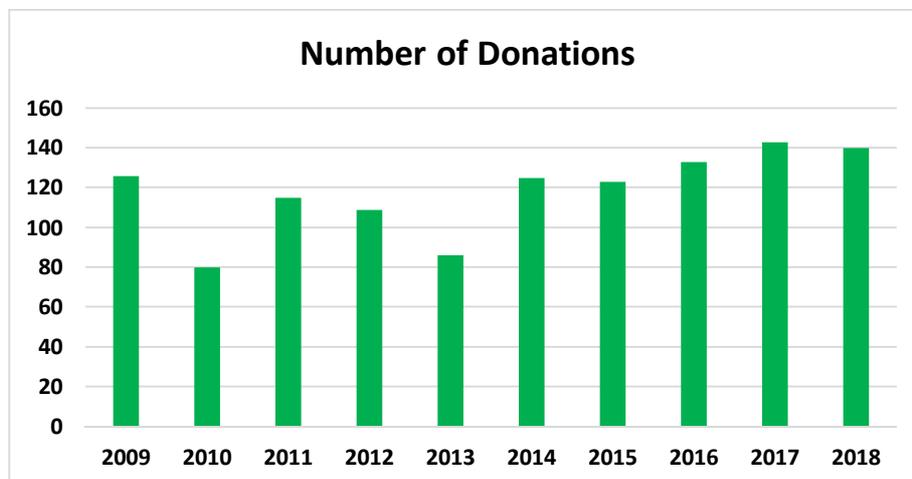
This is the fifth year that the Sir George Martin Trust has analysed its grant making in this way and the data is being used by the Trustees to review and formulate the Trust's grant making strategy for the future.

2017/18 marked the highest level of annual donations made in the last nine years, totalling £240,500. This is an increase of 5% from 2016/17 (£227,872) and comes as a result of continued strong investment returns from the Trust's two investment management firms.

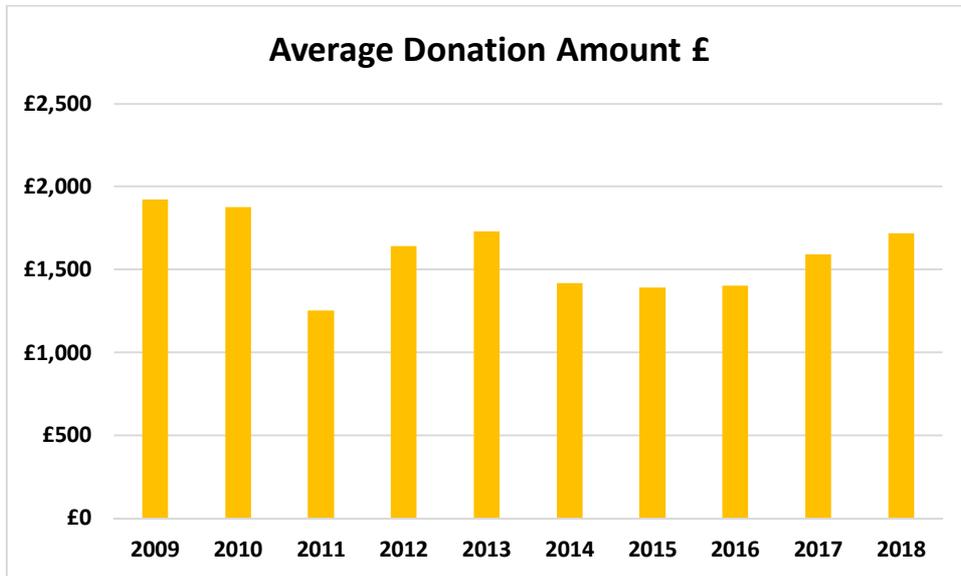
The number of donations during 2017/18 was down slightly to 140 from 144 in 2016/17, while the average donation amount rose by 7% from £1,594 to £1,718 during the last financial year. This reflects the Trustees' decision to give out a few more, larger grants than in recent years.



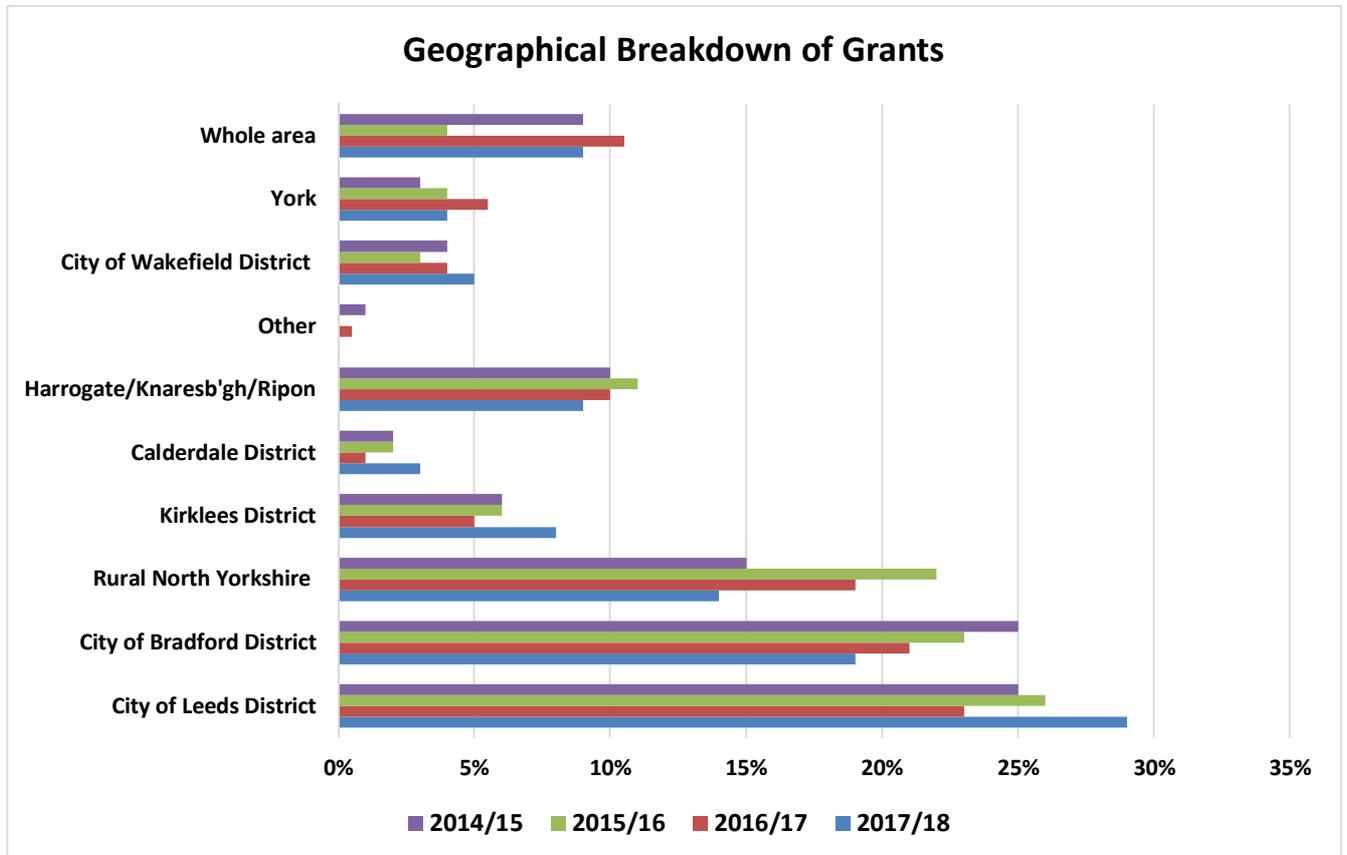
In 2009 the total amount of donations was £242,300 and the lowest total amount was in 2011 with £144,375. The figures show the steady increase in total giving since 2013.



In the last 10 years the highest number of donations was in 2017 with 144 grants, compared with 80 in 2010. The graph shows the steady increase in the number of donations made each year since 2013 which have levelled out over 2017/18.



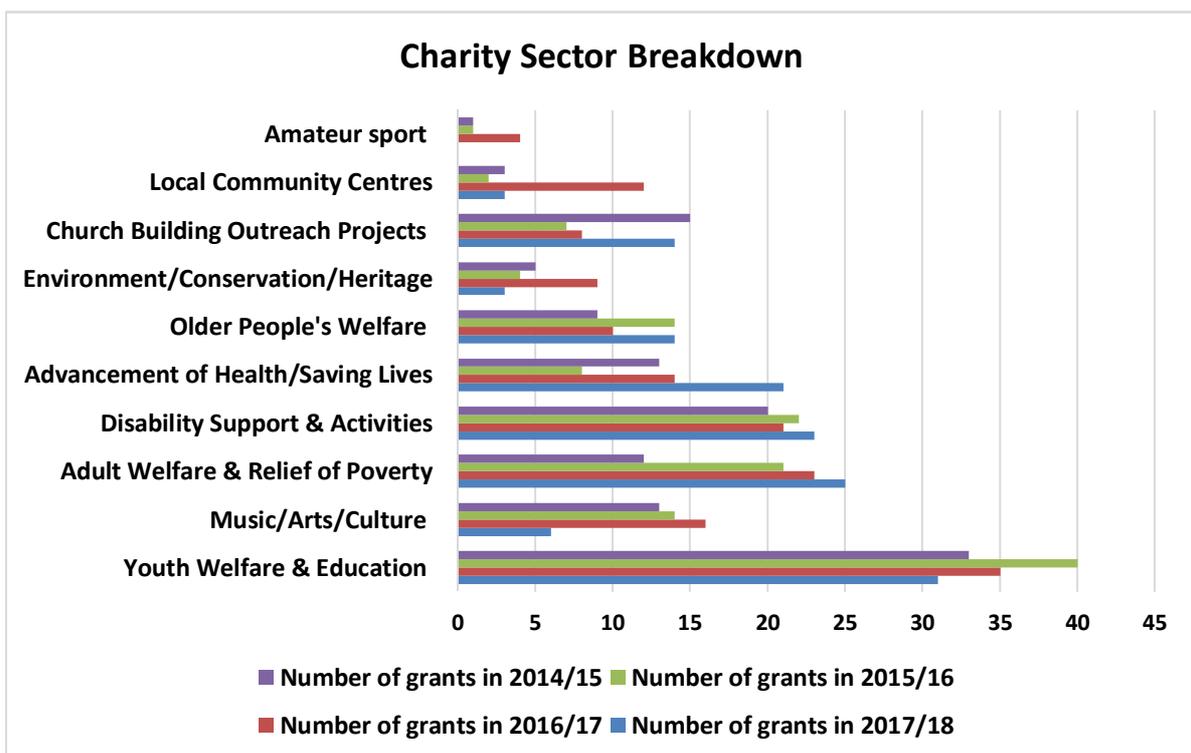
When it comes to the Sir George Martin Trust’s average donation amount, the highest peak of £1,923 was in 2009 and this went down to £1,255 in 2011. Another steady increase is shown for the last few years.



As with the last few years there have been some shifts in the geographical location of beneficiaries being supported by Sir George Martin grants, but there are no radical changes and the top three regions remained the same as 2016/17. The number of grants made in each region is reflective of the number of applications that are coming in and is not due to the Trustees declining grants in certain regions.

There are some interesting points of note:

- Although Leeds has been the number one geographical areas supported for the past four years, in 2016/17 Leeds, Bradford and Rural North Yorkshire were nearly neck and neck with just a couple of percent between the three regions. During 2017/18 grants given to charities working in the City of Leeds District reached 29% compared with Bradford's 19% and Rural North Yorkshire at 14%. The trust manager believes that this could partly be due to the fact that two of the key voluntary infrastructure support organisations for Leeds (Voluntary Action Leeds and Community Matters Yorkshire) have forged a close relationship with the Sir George Martin Trust in the last 18 months and the Trust Manager attended three Leeds funding fairs during the last financial year. Leeds Community Foundation also mentions the Trust to some charities who need additional funding.
- Meanwhile, voluntary sector support organisations in the Bradford District went through a merger process which may have impacted on the number of charities being signposted to the Sir George Martin Trust and a key Bradford-based fundraising consultancy didn't appear to send in as many applications for their clients as they did during 2014-16.
- Rural North Yorkshire's voluntary support organisational structure also went through a big transformation with Craven CVS closing its doors and other CVS's merging under the new Community First Yorkshire banner. The Trust was not invited to attend any funding fairs in this area during 2017/18 and this could be a factor when it comes to awareness levels.
- Giving in the Calderdale, Kirklees and Wakefield Districts increased and the trust manager feels this may in part be due to enhanced communication with the Councils in these areas which has grown since they joined the Yorkshire & Humber Funders' Forum which our trust is also a member of. A number of bids have come in from charities who have been referred by the councils.
- When a Google search is done for 'Yorkshire charitable trusts or charitable trusts Yorkshire', the Sir George Martin Trust comes up in the top three which demonstrates our strong online presence. This is crucial to maintaining a strong, steady flow of applications from across the region.



Here is the change in order and percentage comparison from 2016/17 to 2017/18:

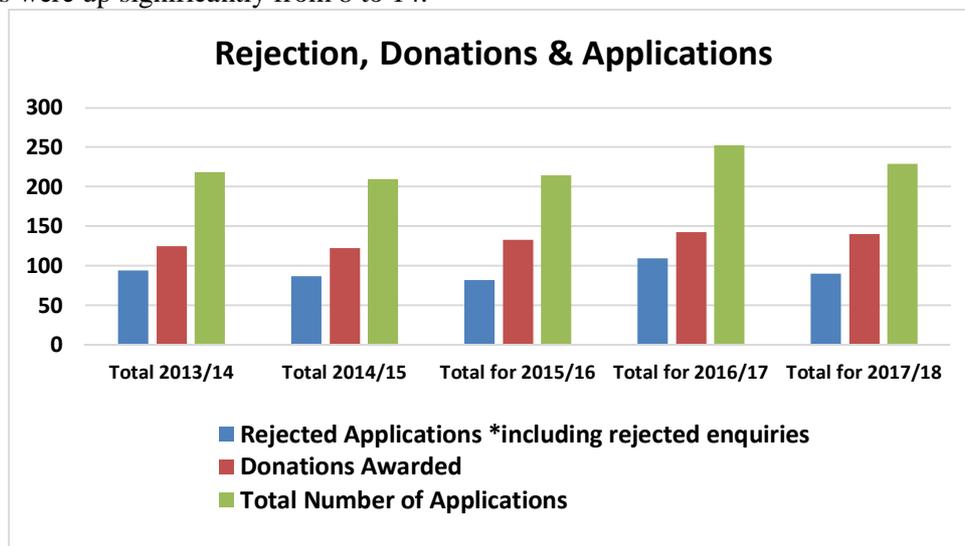
2016/17		2017/18	
1	Youth Welfare & Education 23%	Youth Welfare & Education	21%
2	Adult Welfare & Relief of Poverty 15%	Adult Welfare & Relief of Poverty	18%
3	Disability Support & Activities 14%	Disability Support & Activities	16%
4	Music/Arts/Culture 11%	Advancement of Health/Saving Lives	15%
5	Advancement of Health/Saving Lives 9%	Older People's Welfare & Church Building Outreach Projects both	10%
6	Local Community Centres 8%	Music/Arts/Culture	4%
7	Older People's Welfare 7%	Environment/Conservation/Heritage & Local Community Centres both	2%
8	Environment/Conservation/Heritage 6%	Amateur Sport	0%
9	Church Building Outreach Projects 5%		
10	Amateur Sport 2%		

There were some definite changes in the charity sectors receiving grants from the Sir George Martin Trust this year. This is reflective of the increase and decrease in applications from the different charity sub-sectors as well as the Trustees and trust manager having to decide on key areas of priority.

Youth Welfare & Education retained its number one position, while Adult Welfare & Relief of Poverty again held its number two spot just ahead of Disability Support & Activities. Advancement of Health/Saving Lives comes in at a close fourth, having increased by almost 60% since 2015/16. Grants to Adult Welfare & Relief of Poverty charity projects have more than doubled from 12 to 25 since 2014/15.

Although Music/Arts/Culture gained some ground which was lost during 2014 – 2016, in 2017/18 only 6 grants in this category were given out. It should be noted that some of the youth, disability, adult welfare and older people's welfare grants did involve music/arts/culture, but the trust manager has noticed that there were far fewer applications coming in which were from charities which purely focus on this area. A few years ago the Trust would receive applications from 7-8 music/arts festivals but over this period it was down to 1-2 (two festivals sent in their bids too late for the March 2018 meeting). It may sadly be that some of these music/arts/culture charities have closed their doors due to lack of funding and perceived priority/impact, or that they are securing funds from other sources (e.g. businesses, tickets sales, individuals). Environment/Conservation/Heritage was also right down on last year from 9 grants in 2016/17 to 3. This is a combination of less applications coming in from this sub-sector and the Trustees having to prioritise bids from other sub-sectors.

No local sport grants without a disability or community centre-focus were made. Local community centre applications coming in decreased significantly compared with last year, while church building outreach project grants were up significantly from 8 to 14.

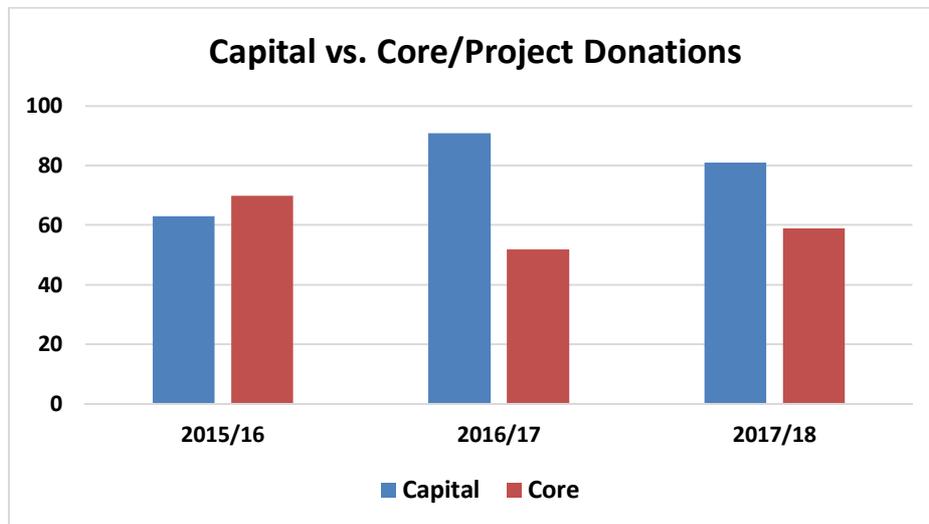


The analysis shows that while the total number of applications* during 2016/17 increased by 18% compared with 2015/16, during 2017/18 the total year-on-year number comparison decreased by 9% - 253 vs. 229. As there were less applications for the last financial year there were also less rejections – 90 applications/enquiries were rejected compared with 110 in 2016/17. The donations awarded figures were very similar due to the fact that the returns on the Trust’s investments continued to rise and the Trustees wanted to keep the level of giving in-line with the funds coming in.

The number of approved grants went up from 57% in 2016/17 to 61% in 2017/18.

The most common reasons for applications being rejected/deferred were:

- Not a registered charity
- National charity based out of West or North Yorkshire and does not have an on-the-ground presence in our region
- Pure salary and/or office running cost request
- A large, expensive capital project and no other funds had been secured yet



Although the Trustees prefer to support capital needs, they are very aware that core and project costs are often what is needed most by charities. As a result, in 2017/18 42% of all grants went to core and project costs which is an increase of 6% compared with 2016/17 when the level of capital grants shot right up compared with 2015/16.

THE SIR GEORGE MARTIN TRUST**ANALYSIS OF DONATIONS****Year ended 5 APRIL 2018**

Aireborough Voluntary Services to the Elderly (AVSED)	1,720
Arch Resolution	1,000
Back Up Trust	1,250
Bangladeshi Youth Organisation	1,500
BARCA Leeds	1,500
Batley Care & Drop-In	1,500
Batley Central Methodist Church	3,000
Bedale & District Methodist Church	2,000
Bierley Community Association	2,000
Bilton Area Methodist Church	1,000
Black Health Initiative	2,000
Bradford Cathedral	2,000
Bradford Court Chaplaincy Service	1,200
Bradford North Circuit Methodist Church	500
Bradford Toy Library and Resource Centre	600
Breast Cancer Haven Leeds	1,596
Calderdale Smartmove	2,266
Candlelighters Trust	3,000
Caring for Life	3,000
Cartwheel Youth & Community Centre	1,000
Cellar Trust	1,520
Charlie Waller Memorial Trust	1,000
Church Army (Selby)	2,000
CLASSS (Community Leeds After School Study Support)	1,000
Clothing Solutions for Disabled People	1,000

THE SIR GEORGE MARTIN TRUST**ANALYSIS OF DONATIONS** (continued)**Year ended 5 APRIL 2018**

Cluntergate Centre (Horbury Community Centre Trust)	2,000
Conservation Volunteers	1,500
Craft Aid International	1,500
Create Arts Development	1,000
Cross Gates & District Good Neighbours Scheme	1,350
Cruse Bereavement Care Leeds	1,070
Dementia Forward	1,000
Denby Dale & District Men's Shed Association	1,500
Denby Dale Centre	2,400
Dial-a-Ride Scarborough	1,250
Diocese of Leeds Music Department	1,500
Disability Sport Yorkshire	2,000
E:merge	1,500
Eldwick Church	2,000
English Heritage Trust - Mount Grace Priory	2,000
Flourishing Families Leeds	5,000
Friends of Middleton Park	1,000
Friends of Ravenscliffe Association	3,000
Gabrieli	1,000
Gilling East Village Hall	1,500
Goathland Community Hub & Sports Pavilion	2,000
Groundwork (East, North and West Yorkshire)	2,000
Grove Academy (Delta Academies Trust)	1,000
Halifax Street Angels	1,500
Harrogate Skills 4 Living	1,500
Haxby & Wiggington Methodist Church	1,500
Health for All	2,000

THE SIR GEORGE MARTIN TRUST**ANALYSIS OF DONATIONS** (continued)**Year ended 5 APRIL 2018**

Hebden Bridge Arts Festival	1,000
Henshaws	2,500
Herriot Hospice Homecare	2,000
Himatt	2,000
Holy Rood House	1,000
Huddersfield Mission	1,225
Huntingdon's Disease Association	1,500
Inn Churches	1,450
Interactive Whitby and District	1,000
Jennyruth Workshops	1,000
Learning Partnerships	2,000
Leeds & Moortown Furniture Store	2,012
Leeds Children's Charity	1,500
Leeds Community Trust	1,000
Leeds Lutheran Church House Trust	500
Leeds Play Network	1,557
Leeds Women's Aid	2,000
Left Bank Leeds	1,000
Levi's Star	1,000
Light of the World Community Centre	2,000
Maggie's (Maggie Keswick Jencks Cancer Caring Trust)	5,000
Manorlands Hospice (Sue Ryder)	3,162
Marie Curie Bradford Hospice	5,000
Methodist Homes for the Aged Bradford	2,500
Middleton Park Equestrian Centre	1,000
More in Common Batley and Spen (Jo Cox Foundation)	10,000

THE SIR GEORGE MARTIN TRUST
ANALYSIS OF DONATIONS (continued)
Year ended 5 APRIL 2018

Musical Connections	1,000
Muslim Women's Council	1,500
National Youth Choirs of Great Britain	1,500
National Youth Orchestra of Great Britain	1,550
Next Steps Mental Health Resource Centre	1,700
No Way Trust	2,000
Northern Ballet	1,000
Northern Opera Group	1,000
One in a Million	1,100
Open Country	1,250
Otley Action for Older People	1,370
Otley Sailing Club	1,000
Peasholme Charity	1,500
People in Action	1,000
Pickering Methodist Church	2,000
Prince of Wales Hospice	5,000
Principle Trust Children's Charity	2,000
PSU Leeds	1,500
QED UK	500
Rethink Mental Illness Harrogate	500
Roundhay Parochial Hall	1,000
Ruddi's Retreat	2,000
S2R (Support to Recovery)	2,500
Safe and Sound Homes	1,500
Saltaire Community Festival	1,000
Scarborough Disability Action Group	1,000

THE SIR GEORGE MARTIN TRUST
ANALYSIS OF DONATIONS (continued)
Year ended 5 APRIL 2018

Scarborough Over 50s Friendship Centre	1,000
Sedburgh Youth & Community Centre	800
Shabang!	1,000
Silsden Parish Church Parochial Church Council	1,500
SNAPS (Special Needs and Parent Support)	1,000
Sorted	1,000
South Seacroft Friends & Neighbours	2,300
Southgate School (Friends of Lydgate)	2,000
Spacious Places	2,000
Speak with IT	2,000
St Christopher's Good Neighbours	2,000
St Gemma's Hospice	2,295
St Michael's Hospice	1,000
St Peter's Church Croft on Tees	1,000
St. Catherine's Hospice	2,000
St. Mary's Church Riddlesden	1,500
St. Mary's Church Whitkirk	2,500
St. Matthew's Church	2,000
Street Angels Leeds (Street Angels Christian Nightlife Initiatives)	1,500
Sunshine & Smiles - Leeds Down Syndrome Network	2,000
Survivors West Yorkshire	1,250
The Cathedral Wakefield	2,500
The Hepworth Wakefield	1,200
Time Together	1,500
Touchstone (West Yorkshire Methodist District)	2,500
Unity in Poverty (Leeds Christian Community Trust)	1,300

THE SIR GEORGE MARTIN TRUST
ANALYSIS OF DONATIONS (continued)
Year ended 5 APRIL 2018

Vine Trust of St. Mary's Laisterdyke	2,000
Wakefield District Sight Aid	1,000
Wakefield Hospice	1,577
Wetwheels Foundation	2,500
Wilberforce Trust	1,410
Works Skatepark Charity	2,000
York Mind	2,000
York Sea Cadets	1,770
Yorkshire Carnival Association (East Leeds Comets Majorettes)	1,000
Yorkshire Visually Impaired Cricket Club (Blind Cricket England & Wales)	1,000
	240,500
	240,500