

Registered number: 00357963

**THE JOSEPH ROWNTREE REFORM TRUST LIMITED**

**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



# THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

## COMPANY INFORMATION

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<b>Directors</b>	Sal V Brinton (Baroness) Amy Dalrymple Alison R Goldsworthy Julian L Huppert Susan L Mendus Andrew C Neal, Chair Lisa Smart Roger Clarke Benjamin Lyons Fionna Tod
<b>Company secretary</b>	James K Wallace (resigned 26 October 2020) Elizabeth F Elsworth (appointed 26 October 2020)
<b>Chief executive officer</b>	Fiona Weir
<b>Registered number</b>	00357963
<b>Registered office</b>	The Garden House Water End York, YO30 6WQ Tel: 01904 625744 Email: <a href="mailto:info@jrtr.org.uk">info@jrtr.org.uk</a>
<b>Independent auditor</b>	BHP LLP Rievaulx House 1 St Mary's Court Blossom Street York, YO24 1AH
<b>Bankers</b>	Unity Trust Bank Plc Nine Brindleyplace Birmingham, B1 2HB
<b>Investment managers</b>	Rathbone Greenbank 10 Queen Square Bristol, BS1 4NT
<b>Legal advisors</b>	Stone King LLP Boundary House 91 Charterhouse St London, EC1M 6HR

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## THE JOSEPH ROWNTREE REFORM TRUST LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present their report and the financial statements for the year ended 31 December 2020.

#### Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Principal activity

##### What we do

The Joseph Rowntree Reform Trust Ltd is a limited company paying tax on its income, which makes grants for political, campaigning or lobbying purposes that are ineligible for charitable funding. The Trust is not a charity. The Trust funds campaigns in the UK to promote democratic reform and speak truth to power.

##### Our values

Our values are rooted in liberalism and Quakerism. Recognising the equal worth of every person, we stand for the defence of liberty, freedom of expression, freedom of conscience and freedom from all forms of oppression, be that political, religious, economic or social.

##### Our strategic vision

We seek to bring about significant changes in the political system, making it more accountable, democratic and transparent and to rebalance power for the well-being of society.

# THE JOSEPH ROWNTREE REFORM TRUST LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### Summary of achievements 2020

#### 1. Strategy and context

The Board began 2020 with a strategic review aimed at taking account of the December 2019 General Election and the UK departure from the EU on 31 January 2020. As part of this process, the Trust has been reviewing political party funding and our work with parliamentarians through the Liberal Voices programme. The Joseph Rowntree Reform Trust Ltd is not a charity and is able to make political grants but has deferred new grant making in this space until the review is concluded.

2020 will be remembered above all as the year of Coronavirus. The COVID-19 restrictions had a marked impact on JRRT grantees, both financially and due to its impact on constraining policy bandwidth on other issues. Trusts and Foundations, including JRRT, stepped up to offer support and flexibility to grantees as they adapted to the new landscape. The crisis consolidated our commitment to providing support for organisational capacity building and to strengthening the democracy sector as a whole, reflected in our project work below.

With the emergence of Coronavirus, every aspect of people's lives was dependent on the choices government was making and the competence of its delivery. The public tuned into daily news conferences and followed every twist and turn of public policy. The burning issues – transparency, scrutiny, centralised decision making, cronyism, operation of emergency powers, disinformation, and how COVID-19 laid bare inequalities – all threw fresh light onto the longstanding concerns about the need for democratic reform and reinforced the importance of JRRT's role in shaping the post-COVID reform debate.

The Black Lives Matter protests and the inequalities laid bare by the pandemic have challenged us to reflect on our history and the source of our endowment. It is known that the Rowntree Company benefited from colonial era trade, but this has rarely featured prominently in narratives about the company's history. Instead, these have tended to focus on the firm's domestic business practices and our benefactor's commitment to tackling the root causes of inequality and injustice within the UK. Work by the Rowntree Society to summarise what is known about the company's operations, ahead of commissioning further research, sets out connections to systems of enslavement and forced labour. JRRT is deeply sorry that the origins of our endowments have roots in practices that have caused deep suffering and enduring impact.

Moving forward, the Board recognises that it is important that we commit to change and to building a positive new legacy. We will work to increase the diversity of our Board, staff and networks and to dedicate resources to grant making and programmes that tackle racial injustice and political inequality. JRRT is in the early stages of this work, aware that we need to listen to the voices of black and minority ethnic people and that we need to be open to challenge, transparent and accountable for the progress we make. As a first step this report includes the results from an audit of our grants which we will update each year.

As part of this programme of work, JRRT has audited its grant making and has committed to publish this data annually (see below).

## THE JOSEPH ROWNTREE REFORM TRUST LIMITED

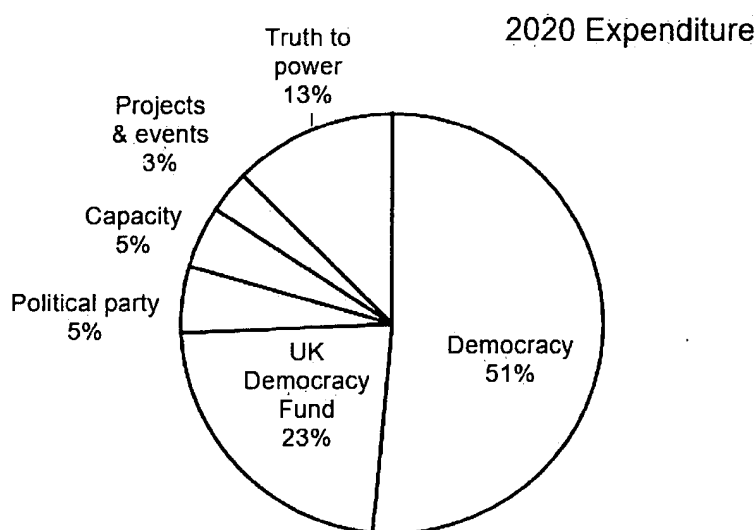
(A Company Limited by Guarantee)

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Funding commitments 2020

In line with JRRT's strategy, the largest areas of spend in 2020 were for grant making on democratic and political reform (£987k) and the UK Democracy Fund (£437k), followed by JRRT's new "Truth to Power" grants (£240k).



In 2020, JRRT's audit of grants showed that 14% of total grants (10% by value) were designed to benefit black, Asian or ethnic minorities and that 10% of grants (7% by value) were to organisations with a majority of board and senior staff from black, Asian or minority ethnic groups. These figures were higher for the UK Democracy Fund with 42% grants (31% by value) designed to benefit black, Asian or ethnic minorities and 25% of (16% by value) to organisations with a majority of board and senior staff from black, Asian or minority ethnic groups – reflecting the Fund's focus on voter participation with many of these communities significantly under-represented in UK election registrations and turnout.

#### 2. Grant making and grantee achievements

In 2020, the Trust paid out a total of £1.4 million in grants and approved £1.98 million of expenditure for new grants (a 58% increase on 2019). 50 new grants were agreed. 2% up on 2019 (49 new grants), of which 25 were for democracy and 12 for the UK Democracy Fund.

Grant expenditure of £1,796,415 was agreed by the Board following quarterly application rounds or by using the rapid response procedure. 37 grants were agreed, with 73% of applications were approved, 65% by value. The average grant size was £45,126.

Using the small grants procedure for grants of up to £7,500 between meetings, 13 grants to a value of £87,135 were approved. The approval rate was 93% by number and value.

JRRT publishes details of grants made on the JRRT website and with 360Giving, which supports organisations to publish their grants data in an open, standardised way. Grants to political parties are additionally published and recorded at Companies House, the Electoral Commission and with the Parliamentary Commissioner for Standards.

A detailed breakdown of grants is included in note 4 of the accounts.

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Democracy grants

The examples below give a flavour of the Trust's work on democracy in 2020.

In the wake of Brexit and with the continuing rise of populist politics, there have been concerns about the impact huge quantities of primary and secondary legislation has had on parliamentary scrutiny. In response, JRRT funded the Bingham Centre for the Rule of Law for a programme of work to ensure Rule of Law issues were properly accounted for by parliamentarians.

The onset of the COVID-19 pandemic had a significant impact on the frame for grant-making. The concerns over the legislative process identified by the Bingham Centre for the Rule of Law were heightened by the use of emergency powers and the introduction of the Coronavirus regulations. Funding was provided to Big Brother Watch to monitor the government's legislative response and its enforcement, enabling them to offer public challenge to the authorities over lack of scrutiny, inconsistent decision-making, and erroneous infringement of civil liberties. Funding was also provided to Manifesto Club to scrutinise the use of pseudo-policing powers by local authorities.

Recognising that it is often those most affected who have least voice, JRRT awarded funding to openDemocracy for a programme of work to amplify the voices of marginalised groups impacted by the pandemic. The Fawcett Society were granted funding for work to raise the very specific impact of the pandemic on women and ensure their voices were better heard by decision-makers.

Significant public concerns emerged during the year regarding the conduct of the government in respect of public procurement. Funding was awarded to openDemocracy and the Good Law Project to investigate and report on instances of 'cronyism'.

JRRT also recognised the huge impact that the COVID-19 pandemic had on its grantees and made available emergency funds to support their work as necessary. This manifested in very different ways. Funding was provided to Democracy Volunteers to sustain them while they migrated their activities online. Support was provided to Alliance4Choice so they could provide a doula service to women using abortion services in Northern Ireland during the pandemic. The Public Interest News Foundation was granted an award for its emergency fund to sustain independent news providers affected by the pandemic.

The Trust has long felt that the UK's regulatory framework for elections has failed to keep pace with developments in campaigning. Fair Vote UK was awarded funding to campaign for safeguards to be added to UK, Scottish and Welsh electoral law in an age of digital electioneering. With a bumper crop of elections due in 2021 at local, county, mayoral, Scottish and Welsh levels, as well as for police and crime commissioners in England and Wales, JRRT funded Democracy Volunteers for a comprehensive programme of monitoring. Funding was also made available to Who Targets Me to monitor online political advertising during the forthcoming election campaigns.

JRRT continued to address the under-representation of women in elected politics. Funds were awarded to the Centenary Action Group to promote and retain the benefits for women and minority groups of the hybrid virtual Parliament trialled during the early stages of the pandemic. Funding was also provided to 50:50 Parliament to expand their 'New Girls' network.

JRRT seeks systemic change and so was excited to support the creation of the Centre for Public Data, an initiative to work with policymakers, decision-makers and campaigners to embed quality data standards in legislation to improve transparency and accountability.

Technology and digital behemoths such as Facebook are playing a greater and greater part in every aspect of life, including political life. JRRT provided funding to the Center for Countering Digital Hate to establish a secure platform to empower those with concerns about the practices of the companies that employ them to speak out. Funding was awarded to Foxglove Legal to shed light on and make publicly accountable the use without specific permission of vast

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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stores of data held by local authorities. Funding was also granted to defenddigitalme to continue its work on children's digital rights in education.

JRRT also made funds to those looking to strengthen the ability of citizens to articulate their concerns to institutions put in place by democratic processes. Funding was granted to Generation Rent to establish partnerships with local authorities to develop a best practice template for engaging private renters. An award was also made to Drone Wars UK to ensure public concerns and democratic accountability are placed at the heart of the government's plans to open UK airspace to military, state and commercial use of 'Beyond Visual Line of Sight' (BVLOS) drones.

#### Political grants

Following the deferral of the 2020 elections, and The Trust's strategic review of party funding, the Board extended the funding awarded to the Association of Liberal Democrat Councillors to account for the rescheduled polls.

#### Truth to power grants

A key motivation of Directors in making decisions on grants is speaking to truth to power. With that in mind, and in an attempt to make minor redress to a significant imbalance of resources, funding was awarded to the Undercover Research Group and to Police Spies Out Of Lives to support the women at the centre of the public inquiry into undercover policing.

### 3. Projects

#### UK Democracy Fund

The UK Democracy Fund brings together charitable and non-charitable funders to work for a healthy democracy in which everyone can participate and where political power is shared fairly.

The UK Democracy Fund is a pooled fund combining JRRT resources with third-party donations. It consists of an earmarked budget within the overall grant-giving programme described in these accounts.

The Fund operates on a non-partisan basis, with all decisions taken by the JRRT Board. It has secured funding commitments of £1.8 million since its establishment in 2019. Total income into the Fund in 2020 was £477,000 of which £250,000 (52%) was allocated from JRRT. Grant commitments in the year were £438,547 (2019: £370,080) as detailed in the notes below. JRRT ensures that charitable funds are used for charitable purposes and that all funds are allocated in line with electoral law.

The Fund has three broad goals: a voting system fit for the 21st Century; securing voting rights for 16 and 17 year olds and for settled European citizens; and increasing participation in elections, particularly by low-propensity voters.

A key focus in 2020 was analysis to draw out evidence of what works and lessons learned from the ten grants relating to participation in the General Election in 2019. These generated an estimated 350,619 registrations, predominantly of young people, making up 9% of the record 3.8 million new registrations ahead of the General Election. Alongside those who had moved house or fallen off the register, this includes an estimated 175,310 new voters that the Fund's grantees brought onto the electoral roll for the very first time.

Fund grantees and others working on voter participation were regularly convened to share insights and learning. A seminar in February for grantees, campaigners, funders, regulators and government led to several practical changes. A pilot study for an RCT commissioned by the Fund was shared in the summer, demonstrating the limitations of digital ad campaigns on voter mobilisation. Ten organisations took part in training on digital campaigns in December. This work will continue as part of plans to establish an evidence centre on democratic participation.

A voting rights campaign was funded, which succeeded in securing voting rights for EU citizens in Scotland and Wales and



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building support in opposition parties. EU citizens retained the franchise for 2021 local elections. Several awards that relate to voter participation drives amongst EU citizens have been made for the 2021 elections, to ensure that low levels of registration and turnout do not undermine future calls for voting rights and to activate EU electors.

Five grants were awarded to organisations in Wales to support the introduction of Votes at 16 for the first time in the May 2021 elections and demonstrate strategies that educate and mobilise young people. The Fund is also supporting research by leading academics, who plan a series of advocacy events across the UK on the positive impacts of introducing Votes at 16.

Research on automatic voter registration (AVR) was launched in April at an event with speakers from the Electoral Commission and Association of Electoral Administrators. Picked up by the Lords Select Committee on Electoral Registration and Administration Act 2013, their final report in June backed several recommendations from this research. Support for modernisation of the electoral system is growing: the Joint Committee on Human Rights has recommended that government consult on the introduction of AVR and a cross-party coalition of Lords made several attempts to amend the Parliamentary Constituencies Bill to require government to pilot forms of AVR. The problems of conducting elections in the pandemic are raising the salience of the issue, as are electoral reforms made in Wales and Scotland this year. The Fund has grown the base of campaign groups engaging with the issue, including organisations primarily concerned with young people's voice or that of private renters and black, Asian and minority ethnic voters and is actively supporting groups to connect and advocate on this and other issues.

#### Strengthening the democracy sector

In 2020, JRRT surveyed grantees and applicants. The findings from the 53 anonymous responses are informing our strategy and activities, and include:

- JRRT is strongly associated with democratic reform and work to strengthen the democracy sector, as well as civil liberties, and voter participation. 22% of those surveyed regard JRRT as expert, 80% were positive about level of understanding. 47% rated JRRT as a major influence in their field and 60% said the Trust has significant positive impact. These responses were significant improvements compared to the 2017 survey.
- The application process is seen as fast (85%) and easy to use (79%). Two out of three feel extremely comfortable approaching the Trust if there were a problem. Feedback, however, emerged as an area where we can improve.
- Two thirds of grantees say that a JRRT grant has contributed to building their financial sustainability. Grants for capacity building were the top choice for support (20%), followed by opportunities to network or collaborate and opportunities to take part in events and seminars (both 14%).
- Asked what JRRT priorities should be, the highest top weighted rankings were strengthening the democracy sector (18%); transparency and accountability (14%); and democratic engagement (13%). Priorities for strengthening the democracy sector were commissioning research to support campaigning (13%); mapping the sector and open resources on who's who, academics, funders, parliamentarians (12%); polling (10%) and strategic communications (9%).

A number of the projects below reflect JRRT's commitment to investing in strengthening the democracy sector.

#### Mapping the democracy sector

This year JRRT commissioned Koreo to work with democracy campaigners to map the sector, producing the UK Democracy Map, structured as an open database, the map is designed to help organisations share information about themselves and their work and make connections with others working to improve and strengthen our democracy. Koreo has also developed, in discussion with democracy campaigners, a taxonomy to draw on and has published a report Mapping the

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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Democracy Movement, describing how the map was developed.

#### Democracy Action

Over summer, JRRT recruited a freelance editor, Carys Davis, to develop and produce a free monthly newsletter to connect democracy organisations. Democracy Action, the newsletter about *action* for democracy; engaging, collaborating, influencing, learning, sharing and inspiring published its first two editions in November and December.

#### A democracy network

JRRT provided an award to Joe Mitchell to produce Networking for Democracy which was published in August. The findings of this analysis of the needs of the sector and proposals for new networking efforts, were that building better connections within and outside the sector is a priority capacity-building need; and that there is a good case and support for building a "network".

In December, JRRT held a virtual event with 50 democracy organisations, campaigners, and academics to discuss the need for – and purpose of – a democracy network. The JRRT Board plans to move ahead with a call for proposals for a network in 2021.

#### The Constitution Democracy and Rights Commission

JRRT made a submission to the Public Administration and Constitutional Affairs Committee setting out our views on what a Constitution Commission should cover, priorities, its composition and how it should operate. The proposal was a Conservative manifesto pledge. We argued that public participation in any long-term process of constitutional change will be essential for legitimacy, rebuilding trust and creating the political space to implement recommendations.

#### Public Interest Journalism

A welcome development was a Charity Commission communication that was seen as creating greater space for high quality public interest journalism, and responds to work that JRRT has contributed to by the Public Benefit Journalism Research Centre.

#### Election Regulation

The Committee for Standards in Public Life announced a review of electoral regulation. JRRT commissioned Alex Runswick, former director of Unlock Democracy, to draft its submission.

#### David and Goliath award

The Sheila McKechnie Foundation David and Goliath Award is sponsored by JRRT and reflects one of our key aims: to strengthen the hand of those individuals and small organisations which fight large scale and systemic injustice.

The 2020 award was presented to Diarmaid McDonald and Plan B on Orkambi for work with the families of children with cystic fibrosis taking on the pharmaceutical industry to ensure that the drugs their children need are fairly priced and available through the NHS. The judges included JRRT Director Professor Sue Mendus.

#### Financial performance

Income for the year decreased by £238k (15.0%) to £1.35 million (2019: £1.58 million). This was due to the impact of the COVID-19 pandemic on global markets and consequently on the Trust's investment portfolio. While the portfolio recovered well by the end of the year, dividend income was down significantly at £1.06m in comparison to £1.18 million in 2019 (10%).

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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Expenditure on grants in 2020 was £1.99 million (2019: £1.25 million), which includes grants brought forward that now met their respective payment conditions.

Non grant and project expenditure reduced by approximately 7% in 2020 to £575k (2019: £619k). The reduction is largely due to lower operational costs, such as travel and meeting expenses, as a result of remote working for most of the year. The Trust also made a loss of £42k on disposals of listed investments during the year.

The Trust therefore generated a loss before tax and gains on investments of £1.26 million in the year (2019: £631k loss).

Despite this, there was a slight increase to the company's net assets of £24k (0.1%) to £41.2 million. This was due to the investment portfolio's recovery in the latter part of the year and a return to a stronger performance on a par with 2019.

#### Investment policy

The Trust's approach remains to invest for long-term growth with suitable diversification, including property, that provides an annual income to meet the Trust's continued grant making.

#### Structure, governance and management

The Board of Directors is responsible for the overall strategy and direction of the Trust. Directors give their time on a voluntary, unpaid basis. There is a maximum of 10 Directors, recruited through an open process. Directors take part in a full induction day. The Board has a Finance Committee and a Nominations Committee.

Day-to-day management of the Trust is the responsibility of the paid Chief Executive, who reports to the Board of Directors, and is supported by a small staff team that includes a full-time Programme Manager and part-time Finance Manager and Administrator.

#### In memoriam

It was with great sadness that JRRT learned of the death in 2020 of two former JRRT directors: Lord David Shutt and Diana Scott.

David Shutt joined the board of JRRT in 1975. He was one of our longest-standing and most influential directors, overseeing our finances and helping to guide our political direction throughout his tenure. In 2000, David was appointed as a working Liberal Democrat peer. When the Coalition Government was created in May 2010, David was appointed to a ministerial position as the Government Deputy Chief Whip in the House of Lords. David resigned from the Trust's board in 2010 when he went into government, but remained an active, valued and vocal advocate of JRRT as a member of the company.

Diana Scott served on the Board of JRRT from 1995 until 2007, and was Chair from March 2006 until her retirement in October 2007. Diana was only the third woman to be appointed to the JRRT Board. She proved a staunch board member, putting forward her views with great common sense and a depth of knowledge that came from the substantial experience she had built up in so many different areas of public life, including campaigns for children, housing, the health service and the regulation of utilities.

#### Risk management

The Directors have reviewed the major risks faced by the organisation as well as the controls, procedures and actions in place to manage those risks. These are documented in a risk register that was reviewed by the Board of Directors in December.

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Directors**

The directors who served during the year were:

Sal V Brinton (Baroness)  
Amy Dalrymple  
Alison R Goldsworthy  
Julian L Huppert  
Susan L Mendus  
Andrew C Neal, Chair  
Lisa Smart  
Roger Clarke  
Benjamin Lyons  
Fionna Tod

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


**Auditor**

The auditor, BHP LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

*In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.*

This report was approved by the board and signed on its behalf.

  
EFElsworth (Jul 6, 2021 08:02 GMT+1)

**Elizabeth F Elsworth**  
Secretary

Date: Jul 6, 2021

# THE JOSEPH ROWNTREE REFORM TRUST LIMITED

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JOSEPH ROWNTREE REFORM TRUST LIMITED

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### Opinion

We have audited the financial statements of The Joseph Rowntree Reform Trust Limited (the 'Company') for the year ended 31 December 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit 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 Companies Act 2006.

### 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JOSEPH ROWNTREE REFORM TRUST LIMITED  
(CONTINUED)**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, 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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

## THE JOSEPH ROWNTREE REFORM TRUST LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JOSEPH ROWNTREE REFORM TRUST LIMITED (CONTINUED)

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#### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of board minutes and legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements 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.

#### Use of our report


This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JOSEPH ROWNTREE REFORM TRUST LIMITED  
(CONTINUED)

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Jane Marshall (Aug 9, 2021 15:45 GMT+1)

Jane Marshall (Senior Statutory Auditor)

for and on behalf of

**BHP LLP**

Rievaulx House  
1 St Mary's Court  
Blossom Street  
York, YO24 1AH  
Date: Aug 9, 2021



THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	As restated 2019 £
Turnover		1,058,580	1,176,980
<b>Gross profit</b>		<b>1,058,580</b>	<b>1,176,980</b>
Administrative expenses		(574,831)	(619,439)
Other operating income		287,500	407,000
<b>Operating profit</b>	3	<b>771,249</b>	<b>964,541</b>
Loss on sale of investments		(42,138)	(335,999)
Interest payable and expenses		(1,000)	(3,821)
Grants payable		(1,988,294)	(1,255,376)
<b>Loss before gains on investments</b>		<b>(1,260,183)</b>	<b>(630,655)</b>
Gains on investments		2,073,085	7,218,408
<b>Profit before tax</b>		<b>812,902</b>	<b>6,587,753</b>
Tax on loss		(788,250)	(1,115,521)
<b>Profit for the financial year</b>		<b>24,652</b>	<b>5,472,232</b>
<b>Other comprehensive income for the year</b>			
Actuarial losses / gains on defined benefit pension scheme		(1,000)	25,000
<b>Other comprehensive income for the year</b>		<b>(1,000)</b>	<b>25,000</b>
<b>Total comprehensive income for the year</b>		<b>23,652</b>	<b>5,497,232</b>

The notes on pages 18 to 31 form part of these financial statements.

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)  
REGISTERED NUMBER:00357963

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	6	2,696	4,374
Investments	7	46,657,144	45,101,444
		<u>46,659,840</u>	<u>45,105,818</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	114,074	409,141
Cash at bank and in hand	9	350,059	302,540
		<u>464,133</u>	<u>711,681</u>
Creditors: amounts falling due within one year	10	(1,351,387)	(827,644)
<b>Net current liabilities</b>		<u>(887,254)</u>	<u>(115,963)</u>
<b>Total assets less current liabilities</b>		<u>45,772,586</u>	<u>44,989,855</u>
Creditors: amounts falling due after more than one year	11	(202,799)	(110,000)
<b>Provisions for liabilities</b>			
Deferred tax	13	(4,352,897)	(3,686,617)
		<u>(4,352,897)</u>	<u>(3,686,617)</u>
<b>Net assets</b>		<u>41,216,890</u>	<u>41,193,238</u>
<b>Capital and reserves</b>			
Revaluation reserve		21,727,940	21,297,023
Other reserves		4,606,760	4,606,760
Profit And loss account		14,882,190	15,289,455
		<u>41,216,890</u>	<u>41,193,238</u>

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)  
REGISTERED NUMBER:00357963

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2020**

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The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Lisa Smart

Lisa Smart (Jul 12, 2021 16:22 GMT+1)

**Lisa Smart**  
Director

Andrew Neal

Andrew Neal (Jul 12, 2021 16:39 GMT+1)

**Andrew C Neal**  
Director

Date: Jul 12, 2021

The notes on pages 18 to 31 form part of these financial statements.

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
<b>At 1 January 2019</b>	<b>16,255,674</b>	<b>4,606,760</b>	<b>14,833,572</b>	<b>35,696,006</b>
<b>Comprehensive income for the year</b>				
Profit for the year (as restated)	-	-	5,472,232	5,472,232
Actuarial gains on pension scheme	-	-	25,000	25,000
<b>Other comprehensive income for the year</b>	-	-	25,000	25,000
<b>Total comprehensive income for the year</b>	-	-	5,497,232	5,497,232
Transfer to/from profit and loss account (as restated)	5,041,349	-	(5,041,349)	-
<b>Total transactions with owners</b>	<b>5,041,349</b>	<b>-</b>	<b>(5,041,349)</b>	<b>-</b>
<b>At 1 January 2020</b>	<b>21,297,023</b>	<b>4,606,760</b>	<b>15,289,455</b>	<b>41,193,238</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	24,652	24,652
Actuarial losses on pension scheme	-	-	(1,000)	(1,000)
<b>Other comprehensive income for the year</b>	-	-	(1,000)	(1,000)
<b>Total comprehensive income for the year</b>	-	-	23,652	23,652
Transfer to/from profit and loss account	430,917	-	(430,917)	-
<b>Total transactions with owners</b>	<b>430,917</b>	<b>-</b>	<b>(430,917)</b>	<b>-</b>
<b>At 31 December 2020</b>	<b>21,727,940</b>	<b>4,606,760</b>	<b>14,882,190</b>	<b>41,216,890</b>

The notes on pages 18 to 31 form part of these financial statements.

# THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1. General information

The Joseph Rowntree Reform Trust Limited is a company limited by guarantee incorporated in England and Wales. The registered office is The Garden House, Water End, York, North Yorkshire, YO30 6WQ. The company's principal activity is investing in securities, the making of grants and undertaking projects for political and other purposes in accordance with the terms of the Memorandum of Association.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

#### 2.2 Going concern

As part of their assessment of the going concern basis of preparation, the directors have considered the impact of the COVID-19 on the company's activities, as well as the wider economy and on the budgets prepared to December 2021. They have also informally considered the period up to 12 months from the signing of the accounts. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the directors are confident that they have in place plans to deal with any financial losses that may arise. The majority of the expenditure, being grants payable, is at the discretion of the directors and can be reduced if income falls. The company also has sufficient reserves to cover the current level of expenditure for several years ahead.

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

#### 2.3 Prior period presentational restatement

In preparing the financial statements for the year ended 31 December 2020, it was identified that unrealised gains in relation to fixed asset investments should have been presented within the profit and loss account, rather than as other comprehensive income. The presentation of these gains has been amended within the comparatives of the 2020 financial statements. There is no impact on the balance sheet or reserves as a result of this.

#### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

## THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Office equipment	- 5 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

##### 2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**2. Accounting policies (continued)**

**2.9 Financial instruments (continued)**

related parties and investments in ordinary shares.

**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.11 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.12 Pensions**

The Company participates in the 'TPT Retirement Solution - Scottish Voluntary Sector Pension Scheme', a multi-employer scheme which provides benefits to some 102 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Under the terms of FRS102, in these circumstances contributions are accounted for as if the Scheme were a defined contribution scheme. The present value of the Company's deficit contribution is recognised as a liability.

Under FRS 102 where a company has been advised of future deficit contributions on a defined benefit multi-employer pension scheme these are recognised within the balance sheet, and then discounted.

**2.13 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

**2.14 Funding commitments**

Liabilities are recognised where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Liabilities are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the liabilities carried in the Balance Sheet.

Commitments that are performance related are recognised when those performance related conditions are met.

## THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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## 2. Accounting policies (continued)

### 2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

### 2.16 Critical accounting estimates and areas of judgement

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### (i) Pension deficit liability

The company has entered into a commitment to provide deficit funding to the 'TPT Retirement Solution - Scottish Voluntary Pension Scheme', of which it is a contributing employer. Under FRS 102, the fair value of the commitment is recognised. The calculation of fair value of the commitment is subject to an assumption of the discount rate. The discount rate is determined by reference to market yields at the reporting date on high quality corporate bonds.

### 2.17 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.



THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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3. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	1,678	1,865
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	3,356	3,260
Fees payable to the Company's auditor and its associates for other services	5,486	5,330
Defined contribution pension cost	26,919	27,911

During the year, no director received any emoluments (2019 - £Nil).

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Analysis of grants payable

<i>Grantee</i>	Brought forward £	Payment conditions now met and committed to in 2020 £	Paid during 2020 £	Carried forward £
50:50 Parliament	17,300	56,068	(31,317)	42,051
Activate Collective	33,750	-	(33,750)	-
Alliance for Choice	51,000	54,919	(55,419)	50,500
Big Brother Watch	16,042	84,540	(26,610)	73,972
BIICL (Bingham)	-	40,000	(40,000)	-
Campaign for Freedom of Information	-	50,000	(12,500)	37,500
Centenary Action Group	22,987	65,241	(55,607)	32,621
Center for Countering Digital Hate	-	53,400	-	53,400
Centre for Public Data	-	79,000	(19,750)	59,250
Campaign for Press and Broadcasting Freedom (North)	-	3,750	(3,750)	-
Defend Digital Me	8,906	36,000	(26,906)	18,000
Democracy Volunteers	17,110	40,530	(35,620)	22,020
Drone Wars	-	20,000	-	20,000
Fair Vote UK	-	42,500	(31,875)	10,625
Fawcett Society	-	42,728	(28,486)	14,242
Foxglove	-	50,000	-	50,000
Friends Provident	-	30,000	(10,000)	20,000
Future Advocacy	-	(7,500)	7,500	-
Generation Rent	-	55,500	(19,500)	36,000
Good Law Project	-	53,350	-	53,350
Harry Fletcher	3,000	-	(3,000)	-
IMPRESS	-	60,094	(15,024)	45,070
Institute for Government	-	7,500	(7,500)	-
Interviews PINF	-	60,000	(60,000)	-
Jo Cox Foundation / Civility in Politics	-	20,000	(13,750)	6,250
Joe Mitchell	-	5,250	(5,250)	-
Make Votes Matter	170,000	-	(115,000)	55,000
Manifesto Club Ltd	19,750	7,500	(19,750)	7,500
medConfidential	12,000	-	(12,000)	-
Network for Police Monitoring	26,453	-	(26,453)	-

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

Open Rights Group	29,074	-	(29,074)	-
openDemocracy	-	123,912	(58,713)	65,199
Organise	-	32,948	(32,948)	-
Parliament Project	3,000	-	(3,000)	-
Peter John (RCT) Kings College	55,384	-	(18,461)	36,923
Police Spies Out of Lives	-	47,424	(5,928)	41,496
Reprieve	-	7,000	(7,000)	-
Share Action	-	7,500	-	7,500
Shout Out UK	-	(7,500)	-	(7,500)
Stop Funding Fake News	22,950	-	(22,950)	-
Traveller Movement	-	45,546	(15,182)	30,364
Two Ridings Community Foundation	-	20,000	(20,000)	-
Undercover Research Group	16,625	67,250	(33,438)	50,437
Unlock Democracy	3,250	7,000	(10,250)	-
Voice for Change	-	7,440	(7,440)	-
Web Roots Democracy	-	7,500	(7,500)	-
Who Targets Me	-	52,800	-	52,800
Other	-	10,750	(10,002)	748
<b>Total Democracy and Truth to Power grants</b>	<b>528,581</b>	<b>1,436,690</b>	<b>(979,953)</b>	<b>985,318</b>
<b>Grantee</b>				
Alliance Party of Northern Ireland	30,000	-	(30,000)	-
Association of Liberal Democrat Councillors (ALDC)	97,644	98,407	(97,644)	98,407
Darren Jones MP	9,500	-	(9,500)	-
Hazel Grove Liberal Democrats	-	2,900	(2,900)	-
Liberal Democrats	-	2,000	(2,000)	-
Liberal Democrats - Yorkshire & Humberside	7,875	-	(7,875)	-
Other	-	2,250	(750)	1,500
<b>Total political grants</b>	<b>145,019</b>	<b>105,557</b>	<b>(150,669)</b>	<b>99,907</b>
<b>Grantee</b>				
ACORN	16,847	35,000	(40,181)	11,666
Boys' and Girls' Club of Wales	-	39,920	(13,308)	26,612
Bulgarian Centre	-	7,500	(7,500)	-
Citizens UK	43,180	35,332	(54,958)	23,554
Ethnic Youth Support Team	-	29,983	(14,991)	14,992
I Have A Voice	-	26,445	-	26,445

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

My Life My Say	13,107	-	(13,107)	-
Nottingham Trent University		39,912	(9,978)	29,934
Polish Migrants Organise for Change	-	33,905	(16,953)	16,952
Scottish Refugee Council	-	38,884	(25,923)	12,961
Shout Out UK	3,000	-	(3,000)	-
The Politics Project	29,700	93,240	(29,700)	93,240
the3million	29,000	32,276	(36,276)	25,000
Urdd Gobaith Cymru	-	33,650	(16,825)	16,825
<b>Total UK Democracy Fund grants</b>	<b>134,834</b>	<b>446,047</b>	<b>(282,700)</b>	<b>298,181</b>
<b>Total grants 2020</b>	<b>808,434</b>	<b>1,988,294</b>	<b>(1,413,322)</b>	<b>1,383,406</b>
<b>Total grants 2019</b>	<b>1,274,957</b>	<b>1,255,376</b>	<b>(1,721,899)</b>	<b>808,434</b>

Contributions from the following have funded the work of the UK Democracy Fund: Andrew Wainwright Reform Trust (Company No. 2608087); Barrow Cadbury Trust Ltd (Registered Charity:1115476.); Betterworld Ltd (Company No. 03408967); The Tinsley Charitable Trust (Registered Charity: 1020294); Scurrah Wainwright Charity (Registered charity:1002755); Unbound Philanthropy and the Family Office (Company No. OC384120). In 2020 the Fund received a grant award of £150,000 from a new donor to the Fund, the Joseph Rowntree Charitable Trust (Registered Charity: 210037) to be spread over three years.

JRRT ensures that charitable funds are used for charitable purposes.

5. Employees

The average monthly number of employees, other than the directors, during the year was 4 (2019 - 5).

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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6. Tangible fixed assets

	Office equipment £
<i>Cost or valuation</i>	
At 1 January 2020	33,190
At 31 December 2020	<u>33,190</u>
<i>Depreciation</i>	
At 1 January 2020	28,816
Charge for the year on owned assets	1,678
At 31 December 2020	<u>30,494</u>
<i>Net book value</i>	
At 31 December 2020	<u><u>2,696</u></u>
At 31 December 2019	<u><u>4,374</u></u>

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Cash held in investment portfolio £	Total £
<i>Cost or valuation</i>					
At 1 January 2020	5,000	44,527,727	240,477	328,240	45,101,444
Additions	-	2,079,983	11,740	430,836	2,522,559
Disposals	-	(2,804,417)	(235,527)	-	(3,039,944)
Revaluations	-	1,958,514	114,571	-	2,073,085
At 31 December 2020	5,000	45,761,807	131,261	759,076	46,657,144

Listed investments

The market value of listed investments at 31 December 2020 was £45,761,807 (2019: £44,527,727).

The historic cost of listed investments is £19,795,540 (2019: £19,544,083) and unlisted investments is £16,690 (2019: £240,477). Unlisted investments are included at market value where a market price is readily available.

The remaining unlisted investments are reviewed annually by the directors. The carrying value of unlisted investments at 31 December 2020, where no market value is readily available amounts to £5,002 (2019: £5,002).

The tax charge, should the investments be sold at the values stated above, would be £4,352,897 (2019: £3,686,617). This has been included in full in the Balance Sheet.

The following were subsidiary undertakings of the Company:

Name	Principal activity	Holding
JRRT (Investments) Ltd	Dormant	100%
JRRT (Properties) Ltd	Property Letting	100%

The aggregate of the share capital and reserves as at 31 December 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
JRRT (Investments) Ltd	5,000	-
JRRT (Properties) Ltd	5,152,407	(2,656,431)

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

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8. Debtors

	2020 £	2019 £
Amounts owed by group companies	47,501	298,680
Prepayments and accrued income	66,573	33,107
Corporation tax recoverable	-	77,354
	<u>114,074</u>	<u>409,141</u>

Amounts owed by group undertakings relates to loans to JRRT (Properties) and The JRSST Charitable Trust amounting to £47,501 (2019: £298,680). The loans have no fixed date of repayment and are interest free.

9. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	350,059	302,540
	<u>350,059</u>	<u>302,540</u>

10. Creditors: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	16,752	5,000
Corporation tax	28,408	-
Other taxation and security	5,291	-
Other creditors	1,300,936	822,644
	<u>1,351,387</u>	<u>827,644</u>

Amounts owed to group undertakings in which the company has a participating interest relates to amounts due to JRRT (Investments) Limited of £5,000 (2019: £5,000), which is a subsidiary company of this company and The JRSST Charitable Trust of £11,752 (2019: £nil).

Included in other creditors are grants payable of £1,228,607 (2019: £753,434).

Grants payable will be funded from investments.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 11. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Grants payable	154,799	55,000
Other creditors	48,000	55,000
	<u>202,799</u>	<u>110,000</u>

Included in grants payable are amounts due in 1 - 2 years of £144,799 (2019: £55,000) and amounts due in 2 - 5 years of £10,000 (2019: £nil).

### 12. Pensions

The company participates in the 'TPT Retirement Solution – Scottish Voluntary Sector Pension Scheme', a multi-employer scheme which provides benefits to some 102 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the Trustee and the participating employers have agreed that additional contributions will be paid in combination from all employers to the scheme.

The company has agreed to a deficit funding arrangement to pay additional contributions from 1 April 2017 to 31 October 2029 of £643 payable monthly and increasing by 3% on 1st April each year, and of £624 monthly prior to 1 April 2017. The company therefore recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement, calculated using a discount rate of 0.36%. The unwinding of the discount rate is recognised as a finance cost.

The amount included in creditors for the deficit funding arrangement is £7,000 (2019: £7,000) due within one year and £48,000 (2019: £55,000) due after more than one year.



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13. Deferred taxation

	2020 £	2019 £
At beginning of year	(3,686,617)	(2,578,355)
Charged to profit and loss	(666,280)	(1,108,262)
<b>At end of year</b>	<b>(4,352,897)</b>	<b>(3,686,617)</b>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Investments	(4,352,897)	(3,686,617)
	<b>(4,352,897)</b>	<b>(3,686,617)</b>

14. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £0.50 towards the assets of the company in the event of liquidation during the time that he/she is a member or within one year afterwards.

15. Contingent liabilities

Grants and project expenditure are recognised in the profit and loss account when the company becomes aware of an obligation. The directors have authorised a further £nil (2019: £60,904) for payment, which is not reflected in the accounts, as the criteria for recognition have not been satisfied. Under an arrangement with the Trustees of The JRSST Charitable Trust, the company would reimburse the charitable trust in respect of any grants ultimately rejected by the Inland Revenue. There was no potential liability under this arrangement at 31 December 2020 (2019: £nil).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Related party transactions**

During the year the company received £32,000 (2019: £40,000) of management charges from its subsidiary company, JRRT (Properties) Limited. These charges are included in management charges receivable. As at 31 December 2020, the company was owed £47,501 by JRRT (Properties) Limited (2019: £297,014).

The company also received management charges of £28,000 (2019: £37,000) and incurred £23,425 (2019: £23,425) of charges in respect of rent and premises costs from the JRSST Charitable Trust, an associated charity where four of the Trustees are also directors of The Joseph Rowntree Reform Trust Limited. These charges are included in administration expenses. As at 31 December 2020, the company owed The JRSST Charitable Trust £11,752 (2019: was owed £1,666 by The JRSST Charitable Trust).

During the year grants of £104,807 (2019: £224,125) were awarded to the Liberal Democrats and related organisations. At the time of writing, four of the Directors are involved with the Liberal Democrats, one being past president, one being a member of the federal board, one being president of the Cambridge Liberal Democrats and one recently stood as a parliamentary candidate.