

The Trustees
The Triangle Trust 1949 Fund
Brighton Eco Centre
39-41 Surrey Street
Brighton
BN1 3PB

6 October 2023

Dear Trustees

Audit for the Year Ended 31st March 2023

We are pleased to confirm that we have again issued an unqualified audit report. If you are satisfied that the accounts are correct, we would be grateful if these could be signed and returned to us please.

We are required to issue a letter of representation in support of the accounts. This is the letter printed onto your headed paper. If approved, please could this be signed and returned to us with the accounts.

The income from investments remained static during the year and grant giving increased, leaving a net deficit of £247,267 before investment losses of £1,401,101. Gross transfers between funds represent the £34,000 removed from the BlackRock sterling units. At the year end the expendable endowment fund remained equal to the Sarasin endowment fund units held as fixed asset investments and the BlackRock sterling units held as current asset investments.

The usual amendment for grant accruals has been included within the accounts. The 2022/23 grants have been awarded subject to the usual project reviews and with instalments generally being paid as they are approved. Originally the strategic grants were accrued in full due to a lack of mid-grant reporting, however the structure of these has now changed and they are paid over multiple years, with the usual interim reporting.

The first instalments of the grants approved at the March 2023 meeting have been accrued, as these were communicated to the recipient towards the end of March, but were not paid until after the year end. The same pattern was observed at the end of 2022 and the accrued grants remain stable.

The figure for grants subject to future reviews has risen considerably as the grants made during the year have risen. Young Offender grants approved in the minutes total £472,329, Strategic Grants totalled £240,000 and Young Carers £502,853 – a total of £1,215,182 and equivalent to approximately two years of investment income. In addition to the unpaid future instalments of the current year grants, the final instalment of the 2021/22 Young Carers grants and the delayed Rehabilitation 2019/20 instalments, the final 20/21 and the final 21/22 remain outstanding.

The above figures are significantly higher than shown in the year end management accounts as these did not include the March 23 Rehabilitation grants, and also omitted the two additional Strategic Grants of £90,000 each which were both granted in March 23.

Although grants approved and those conditional on future reporting have increased considerably, the expendable endowment and future dividend income is more than sufficient to cover the cost, although some disinvestment will likely be required.

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We were also provided with the management accounts for the start of the 23/24 year. The grant instalments shown on these do not agree with what we have seen during our audit with respect to both the amount and timing. We understand from the minutes that the format of the management accounts is being revised, and we would recommend that the accurate timing and level of future grant payments is given prominence.

We have obtained and reviewed Sarasin's AAF 01/20 internal controls of service organisations report covering the year to December 2022. Deloitte LLP have reviewed Sarasin's internal controls procedures and have reported that they are suitably designed, and operated as expected. Given that the report does not cover the full year under review, we have also obtained a bridging letter from Sarasin confirming that there were no material changes to their systems after December.

We are also required to report to you any issues that have arisen in the audit of the accounts which we feel may be of importance, or state if we have found nothing of concern. All items requiring amendment in the accounts have been amended. Additionally, aside from our comments above regarding the management accounts, we consider that the internal controls of the charity are appropriate for its size and nature and our sample review of the grants system showed that these are being monitored as expected.

We conducted our audit in accordance with the FRC Ethical Standards. In applying the standards, we took advantage of the provisions available for smaller entities. These provisions allow us to disregard certain requirements relating to self-review threats of providing non-audit services, such as the preparation of the financial statements. Due to the length of time that I have been signatory of the audit report, the file has been reviewed by a second partner at Begbies, Robert Maples.

We would also like to take this opportunity to confirm that we consider ourselves to be independent of your organisation, as defined by the Ethical Standards, and that the safeguards in place are those recommended by our Institute.

We would also like to thank Victoria for her assistance during the audit.

With kind regards

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized first name followed by a surname and a horizontal line.

BEGBIES
Encs.