

Colyer-Fergusson Charitable Trust

**Trustees' report and accounts
For the year ended 5 April 2016**

Colyer-Fergusson Charitable Trust

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Colyer-Fergusson Charitable Trust

**Legal and administrative information
For the year ended 5 April 2016**

Trustees	Nicholas Fisher [Chairman of Trustees] Barbara Long Ruth Murphy Robert North Rosalind Riley James Thorne
Charity number	258958
Principal address	Marcar House Parkshot Richmond TW9 2RG
Chief Executive	Jacqueline Rae
Auditors	Saffery Champness Chartered Accountants 71 Queen Victoria Street London EC4V 4BE
Bankers	Coutts & Co 440 The Strand London WC2R 0QS
Solicitors	Farrer & Co 66 Lincolns Inn Fields London WC2A 0QS
Investment advisors	Investec Wealth & Investment 2 Gresham Street London EC2V 7QN
Property advisors	Caxtons 49-50 Windmill Street Gravesend Kent DA12 1BG

Colyer-Fergusson Charitable Trust

Trustees' report (continued) For the year ended 5 April 2016

The Trustees present their report and accounts for the year ended 5 April 2016.

Structure, governance and management

The Trust was established by Deed on the 3 April 1969 and made between Sir James Herbert Hamilton Colyer-Fergusson Bart and John Andrew Porter, Major General the Right Hon Gilbert Walter Riversdale Viscount Monckton of Brenchley OBE MC and Joseph Frederick Burrell.

The Trust is registered with the Charity Commission with number 258958. The Trust's principal office address is shown on page 1.

The Trustees who served during the year, and to the date of this report, were:

Nicholas Fisher (Chairman)
Barbara Long
Ruth Murphy
Robert North
Rosalind Riley
James Thorne

New Trustees are approved by the existing Trustees and appointments are reviewed periodically. They are appointed for the skills and experience that they bring to help the Trust meet its charitable objectives. New Trustees are given copies of the Deed of Settlement, recent copies of the Trust's annual report and accounts and documents explaining the Trust's history and its key policies and procedures. In addition, all new Trustees are given guidance material published by the Charity Commission on the responsibilities of being a Trustee.

The Trustees meet at least three times during the year to make and review their charitable grants. An investment sub-committee, comprising two Trustees and the Chief Executive, meets annually to monitor the performance of investments and report back to all Trustees.

Objectives and activities for the public benefit

Under the Deed of Settlement, the Trustees may pay or apply the income, and if they shall think fit, the capital of the Trust to or for such charitable purposes whatsoever at such times and in such manner as the Trustees shall from time to time think proper.

The Trustees have referred to the Charity Commission's guidance on Public Benefit when reviewing their aims and objectives and planning their future activities. The Trustees believe that their strategic grant-making meets the objective of benefiting a wide cross-section of the community and this is demonstrated within the following sections of this report. The Trustees ensure that a robust monitoring system is in place to establish the benefit derived from each grant, in order to be confident of meeting their public benefit obligations.

The Trust's overarching aim is to improve the lives of people in Kent, and in particular those who are most disadvantaged and living at the margins of society. Over the years the Trust has supported Kent communities through a range of funding programmes. During the year the target group for grant funding was 'Young People with Poverty of Opportunity'. This has been delivered through a range of grant programmes, in line with the Trust's grant policy, which is set out on its website: www.cfct.org.uk.

Measuring impact

Periodically the Trustees meet to consider the impact of their grant making programmes and make strategic plans for the future. In addition to these strategic meetings, the Trustees review and monitor grants made within their grant programmes with the aim of establishing the impact made on the lives of people in Kent. In 2013 the Trustees undertook an extensive review of their activities and consulted widely with the Kent voluntary sector. This process helped the Trustees to formulate their current grant policies and procedures. The Trust's 'Young People with Poverty of Opportunity' grants' programmes have completed two years of operation. A detailed review of the impact of these programmes is planned for 2017. In the meantime, the Trustees regularly receive impact and monitoring reports from grantees and they are pleased that these indicate that the charitable objectives of the programmes are being delivered. The achievements and performance of the Trust, as set out below, demonstrate the tangible impact the Trust is making on the lives of vulnerable and disadvantaged young people in Kent.

Achievements and performance

The Colyer-Fergusson Trustees believe that every young person should have the opportunity to meet his or her full potential. Too many young people remain outside of education, employment or training (NEET) and although they may have the same aspirations as their peers, many are deprived of opportunity. The reasons for this are numerous and often mutually reinforcing; for example, parental unemployment, family breakdown, drug and alcohol abuse, discrimination and poor physical and mental health.

In the financial year ended 5 April 2016 the Trustees continued to support projects that would tackle young people's 'poverty of opportunity' in innovative and effective ways through three key grant programmes:

- **Investing in Young People**

This programme makes grants to support new projects that can make a demonstrable difference to the lives of disadvantaged young people by, for example, improving academic achievement; building self-confidence and supporting them into education or employment; reducing offending and anti-social behaviour or improving mental health and wellbeing.

- **Apprenticeships and Vocational Learning Programme**

This programme makes grants to organisations that can deliver apprenticeships and/or vocational learning to disadvantaged young people. Organisations may be offering these in house or they may have the ability to unlock employer engagement. The Trust is particularly interested in organisations that are able to meet the needs of very vulnerable young people, including ex-offenders.

- **Hardship awards programme**

This programme makes small grants (up to £500) to disadvantaged young people to meet the costs of practical items such as: interview clothes; course fees; tools or equipment; travel costs to a new job etc. All applicants must be referred by an approved CFCT referral partner.

Colyer-Fergusson Charitable Trust

Trustees' report (continued) For the year ended 5 April 2016

Achievements and performance (continued)

Within these programmes, in the year the Trustees received 174 applications and approved 140 grants totalling £1,001,161 comprising:

Table 1

Programme name	Total awarded £	No.
Investing in young people	593,405	15
Apprenticeships and vocational learning	369,628	8
Hardship awards	38,128	117
Total	1,001,161	140

Grant beneficiaries

The Trustees are keen to try and establish the number of young people who directly benefit from their grants. The Trust's small hardship grants directly benefit the young person concerned, albeit they are paid via a referral partner organisation. Programme grants are more difficult to gauge and for this reason during the grant application process applicants are asked to estimate the number of young people that would benefit directly from a grant. In relation to grants approved in the year, it can be estimated that over 2,000 young people will benefit as a direct result. Although rather crude, this equates to an average per capita cost of £469 per young beneficiary across all three programmes. As expected, the apprenticeship and vocational learning programme has the highest per capita cost as several projects involve directly supporting a small number of vulnerable and disadvantaged people throughout the first couple of years of their supported employment.

The following table shows beneficiaries and per capita cost split between the three programmes.

Table 2

Programme	Grants £	Number of beneficiaries	Per capita £
Investing in young people	593,405	1,746	340
Apprenticeships and vocational learning	369,628	270	1,369
Hardship awards	38,128	117	326
Total	1,001,161	2,133	469

Geographical areas of benefit

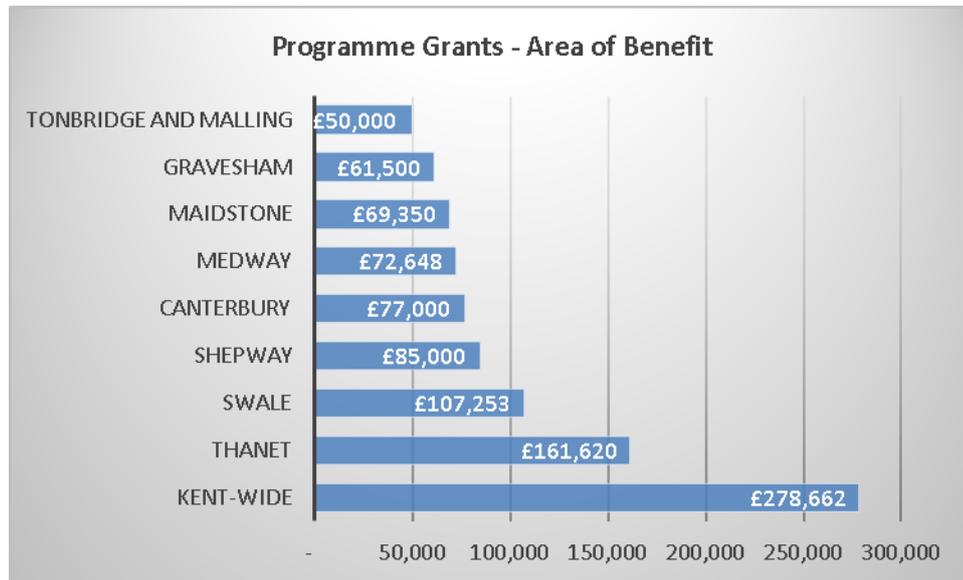
The Trustees aim to focus their programme grants on the geographical areas of greatest deprivation in Kent to ensure that funds are directed where they are needed most. According to the Government's most recent '*Indices of Deprivation*'¹ Thanet, Shepway and Swale rank as the areas of greatest deprivation within Kent; and Sevenoaks, Tonbridge and Malling and Tunbridge Wells the least.

The following chart shows how the Trust's main grants programmes have distributed funding across the County.

¹ Communities and Local Government Indices of Deprivation 2010

Achievements and performance (continued)

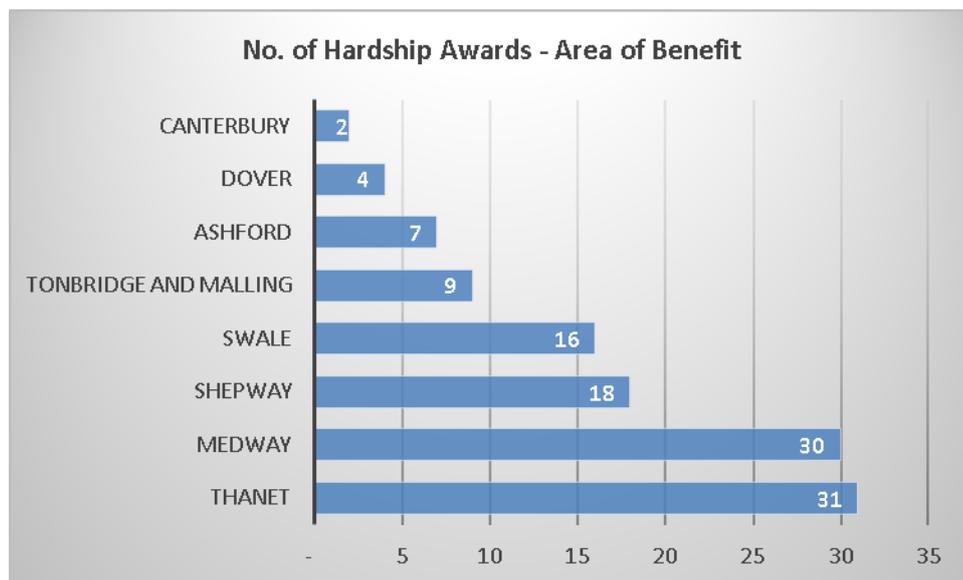
Chart 1



The Trust's hardship grants are made in partnership with local organisations and in relation to a young person's personal circumstances. Although in the main these are allocated in areas of greatest deprivation, the Trust has allowed a degree of flexibility to ensure that the requirements of young people in greatest need can be accommodated, regardless of where they live in the County.

The following chart shows the number of hardship grants made in the districts of Kent.

Chart 2



Achievements and performance (continued)

Hardship grants

The Colyer-Fergusson hardship grants programme has been operating since November 2013. All grants are aimed at disadvantaged young people living in Kent and all meet the costs of practical items such as: course fees; tools or equipment; travel costs to a new job; interview or work clothing etc. All applicants have been referred to the Trust by a registered referral partner.

The programme is intended to be highly responsive so that emergency payments can be made. The application process works well with payments made within a week of application on average. The Trust has established good working relationships with its referral partners, each of whom have been robustly vetted, and there has been positive feedback about the grant programme both from partners and the young people themselves. There is no doubt that this programme continues to reach its intended beneficiaries.

Applications are submitted by referral partners using an online, password-protected form. All sensitive data pertaining to the vulnerable young people is encrypted and personal data relating to the young people is only kept as long as it is required for decision-making and audit purposes. All payments are made to the referral agent rather than the young person directly and the referral agent is asked to sign to confirm that they will take all reasonable steps to ensure that the money is spent as intended.

It is important to note that referral agents receive no 'fee' for their administration of the payments. Referral agents are not asked to monitor or evaluate the grants they process, beyond ensuring that they are spent as intended, unless it is a specific condition of a particular grant. However, wherever practicable all referral agents send follow-up information about the young people's progress. They also pass on letters of thanks from the young people, many of whom are genuinely amazed that someone has taken an interest in their situation.

In the year the Trust made 117 grants totalling £38,128 which can be categorised as follows:

Table 3

Young person's circumstances	Amount	No.
Educational underachievers	12,918	49
NEETs	10,375	33
Dysfunctional family background	7,472	17
In care or leaving care	6,298	15
At risk of offending & ex-offenders	1,065	3
Grand Total	38,128	117

Achievements and performance (continued)

Table 4

Type of assistance given	Amount	No.
Course and training fees	3,738	18
Counselling or mentoring	5,424	20
Interview or work clothing	5,688	19
Licences, DBS checks or work permits	500	1
Tools and equipment	13,205	37
Transport to work or training	2,998	6
Other**	6,575	16
Grand Total	38,128	117

**Other here includes a laptop, long-term commute, furniture, bedding and help for a grandmother of a recently orphaned child

Almost 35% of the young people receiving grants had witnessed significant violence at home. Approximately 15% were responsible for caring for a parent or sibling, a role that often contributed to their educational under-achievement.

Poverty of opportunity grant programmes

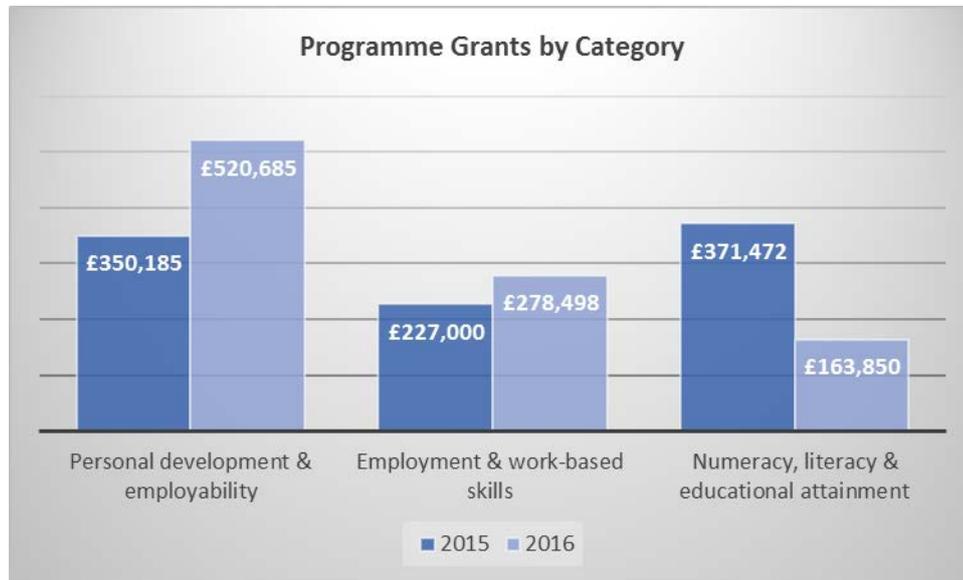
The Trust's two '*poverty of opportunity*' grants programmes entitled 'Investing in Young People' and 'Apprenticeships and Vocational Learning', have now operated for two full financial years. The programme's key aim is to improve the lives of disadvantaged young people and reduce the number who are not in employment, education or training (NEET). With this in mind the Trustees have supported a wide-range of innovative projects, broadly categorised as:

- those which help young people develop the personal qualities and confidence essential for employment;
- those that directly offer work or work-based skills training;
- and those concerned with raising young people's educational attainment.

The following chart shows programme grants made across these three categories since the launch of the programmes.

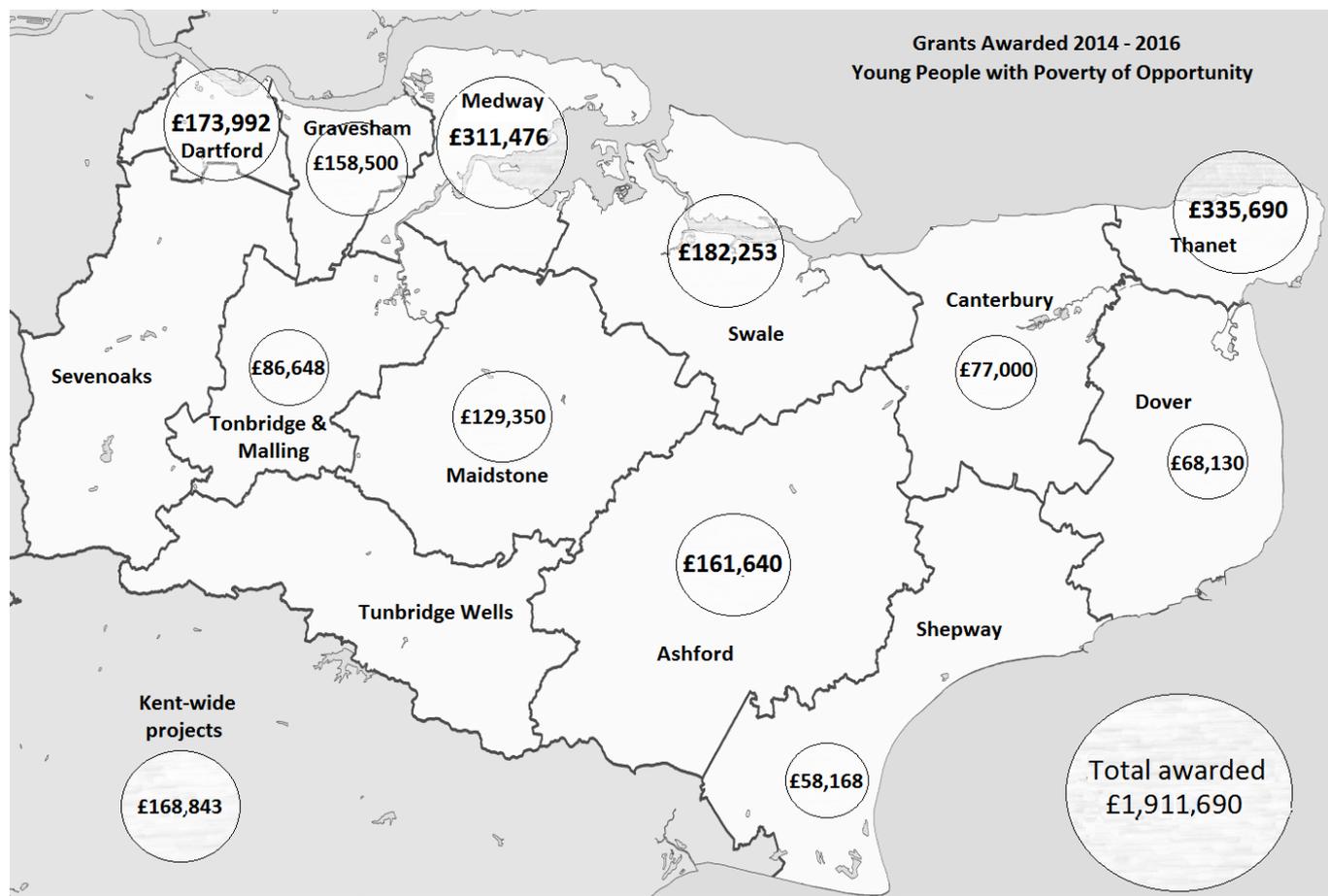
Achievements and performance (continued)

Chart 3



Since the launch of the programmes in early 2014 the Trust has made 40 grants totalling £1,906,690 to benefit young people with poverty of opportunity in Kent. The following illustration shows this funding by district and clearly shows that the Trust has successfully weighted its funding to the areas of greatest deprivation.

Achievements and performance (continued)



Financial review

During the year the Trust received income of £479,938 (2015: £571,928). The Trust incurred expenses of £1,304,957 (2015: £950,629). Within this, expenditure on grant making is £1,151,862 (2015: £745,675).

The Trust made gains on investment assets of £2,849,620 (2015: £3,180,893). The majority of these gains have arisen on the Trust's investment property portfolio, reflecting the additional value placed on the hope element of certain properties that have been valued taking into consideration their development potential.

The Trust's net assets at 5 April 2016 were £23,678,932 (2015: £21,654,331).

Investment policy and performance

The Deed of Settlement authorises the Trustees to invest without limitation.

The Trustees employ an investment objective that balances a requirement for income and the long-term capital protection and growth of the Trust's assets. Trustees fund grants from the natural income of the assets, but Trustees have wide investment powers and also they can spend capital to supplement the Trust's income as required. The Trustees' current funding plan is to spend at least £1,000,000 per annum on grants.

The Trust has assets comprising both an investment portfolio and direct ownership of property bestowed by the founder. From time to time, property assets are realised and are transferred to the investment portfolio. Trustees regularly review the management of the Trust's assets with both their fund and property managers at least annually.

The Trustees have not set a formal return target for their investment portfolio as they have flexibility in their spending and are currently drawing down significant capital sums each year. Their investment strategy reflects this and has recently been reviewed to ensure it has the appropriate balance between long term return requirement and a risk profile that is aligned to their shorter term capital needs. Against the backdrop of falling UK equity markets, the portfolio recorded a total return for the year of -3.1% (2015: 7.7%). This was behind the bespoke benchmark return of -1.3% (2015: 9.9%) but discussions with Investec suggest that all the underperformance arose over two months at the start of 2016. Bond performance was again weak, however a positive return was recorded and the Trustees are satisfied that this part of the portfolio serves to lower the overall risk of the investments which is important given the potential for capital withdrawals.

Reserves policy

At 5 April 2016 the Trust had reserves of £23,678,932 (2015: £21,654,331). These reserves are invested in fixed asset investments to generate funds for charitable grant-making purposes. It is the intention of the Trustees to make use of the unrestricted funds in support of their stated aims and objectives to a minimum annual level of c. £1,000,000 in charitable grants. This policy will be reviewed annually by the Trustees. The Trustees will continue to review the level of all reserves on a regular basis in association with quarterly management information.

Asset cover for funds

All assets represent unrestricted funds which are sufficient to enable the Trust to meet its obligations for future costs and grant commitments.

Key management personnel remuneration

The Trust operates with a small paid staff team, drawing on the expertise of specialist consultants as required. The Trustees believe that this structure is cost-effective and provides a robust administrative base. The Trustees consider that the Trustees and the Chief Executive are the Trust's key management personnel in charge of its governance and day-to-day operations respectively. No Trustee remuneration was paid in the year and details of trustee expenses are disclosed in note 7 to the accounts.

Trustees are required to disclose all relevant interests as soon as they become aware of them and register them with the Chief Executive and withdraw from decisions where a conflict of interest arises.

Key management personnel remuneration (continued)

The pay of the Trust's Chief Executive is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the trust, the scale of its grant-making operations, and the extensive management of professional advisers to the trust board, the trustees consider that a multiple of up to three times the median average salary for UK employees is appropriate for this role. The remuneration is also bench-marked with other grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for comparable roles.

Risk factors

The Trustees have examined the major risks that the Trust faces and established systems to mitigate them which are set out in a formal risk policy, which is reviewed regularly. The Trustees recognise that the main risks they face concern the performance of their investments and the efficacy of their grant-making. To mitigate these risks financial investments are held by a reputable investment firm authorised by the FCA and Trustees review investment performance against recognised benchmarks at least twice a year. The Trust's property portfolio is managed by a reputable firm of chartered surveyors regulated by the RICS. The Trust's grant-making is rigorously controlled by clear objectives and supported by formal grant-making policies and established monitoring procedures.

Plans for the future

The Trustees' key objective is to make grants to improve the lives of people in Kent, and in particular those who are most disadvantaged and living at the margins of society. Over the years the Trust has supported Kent communities through a range of funding programmes. In the next year the target group for grant funding will continue to be 'Young People with Poverty of Opportunity'. Trustees will allocate their charitable funds to support disadvantaged young people in the poorest districts of the County and help them navigate the difficult journey into adulthood. This funding policy will be reviewed in due course in an attempt to establish how successful it has been and the impact made. As the Trust approaches its fiftieth anniversary (April 2019) the Trustees may visit the option of making further major grants to flagship projects.

Applicants are advised to visit the Trust's website for up-to-date information about grant priorities: www.cfct.org.uk.

Colyer-Fergusson Charitable Trust

Trustees' report (continued) For the year ended 5 April 2016

Statement of Trustees' Responsibilities

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

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

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

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

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the Trustees on2016 and signed on their behalf by

Nicholas Fisher (Chairman)
Trustee

Colyer-Fergusson Charitable Trust

Independent auditors' report to the Trustees of Colyer-Fergusson Charitable Trust For the year ended 5 April 2016

We have audited the financial statements of the Colyer-Fergusson Charitable Trust for the year ended 5 April 2016 set out on pages 15 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS 102.

Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 5 April 2016 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.

Colyer-Fergusson Charitable Trust

Independent auditors' report (continued)

For the year ended 5 April 2016

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the trust has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Saffery Champness

2016

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006 and consequently to act as the auditor of a registered charity.

Colyer-Fergusson Charitable Trust

Statement of financial activities For the year ended 5 April 2016

	Notes	Unrestricted funds 2016 £	Unrestricted funds 2015 £
Income from:			
Investments	3	479,938	474,845
Other:			
Loan to trading company recovered		-	97,083
Total		<u>479,938</u>	<u>571,928</u>
Expenditure on:			
Raising funds:			
Investment property costs		79,361	135,644
Investment management costs		73,734	69,310
	4	<u>153,095</u>	<u>204,954</u>
Charitable activities	4	1,151,862	745,675
Total	4	<u>1,304,957</u>	<u>950,629</u>
Net gains on investments		<u>2,849,620</u>	<u>3,180,893</u>
Net income and net movement in funds		<u>2,024,601</u>	<u>2,802,192</u>
Reconciliation of funds:			
Total funds brought forward	17	<u>21,654,331</u>	<u>18,852,139</u>
Total funds carried forward	17	<u>23,678,932</u>	<u>21,654,331</u>

All the above results derive from the continuing activities of the Trust. There are no other gains or losses other than those shown above.

The notes on pages 17 to 26 form part of these Financial Statements.

Colyer-Fergusson Charitable Trust

**Balance sheet
As at 5 April 2016**

	Notes	2016		2015	
		£	£	£	£
Fixed assets:					
Tangible assets	10		3,182		3,318
Investments:					
Investment properties	11		13,735,690		10,960,250
Investments	12		9,296,179		10,457,265
			23,035,051		21,420,833
Current assets:					
Debtors	13	100,745		89,696	
Cash at bank and in hand		1,362,213		1,009,309	
		1,462,958		1,099,005	
Liabilities					
Creditors: amounts falling due within one year	14	(630,564)		(714,539)	
Net current assets			832,394	384,466	
Total assets less current liabilities			23,867,445	21,805,299	
Creditors: amounts falling due after more than one year	15		(188,513)		(150,968)
Total net assets			23,678,932	21,654,331	
The funds of the trust:					
Unrestricted funds	17		23,678,932		21,654,331
Total trust funds			23,678,932	21,654,331	

The accounts were approved by the Trustees on2016

Nicholas Fisher
Trustee

The notes on pages 17 to 26 form part of these Financial Statements.

1. Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have only 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 SORP rather than Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

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

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern due to the volume of the total trust funds at the year end.

Cash flow exemption

Advantage has been taken of the exemption for charities with income less than £500,000 from preparing a cash flow statement under Charities SORP (FRS 102) Update Bulletin 1 (issued in February 2016), which the Trust has early adopted.

1.2 Reconciliation with previous Generally Accepted Accounting Policy

These financial statements for the year ended 5 April 2016 are the first financial statements that comply with FRS 102 and the Charities SORP (FRS 102). The date of transition is 6 April 2014.

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) a restatement of comparative items was needed. No restatements were required.

In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

1. Accounting policies (continued)

2015 net income reconciliation	£
2015 net income/(expenditure) as previously stated	(378,701)
Adjustment for gains/(losses) on investments now treated as a component of net income	3,180,893
2015 net income as restated under the Charities SORP (FRS 102)	<u>2,802,192</u>

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities when the trust is entitled to the income and the amounts can be quantified with reasonable accuracy.

Rental income from investment property leased out under an operating lease is recognised in the Statement of Financial Activities on a straight-line basis over the term of the lease.

Income from listed investments and fixed interest investments is recognised when receivable and can be measured reliably by the trust. This is normally upon notification by our investment advisor of the yield of the investment portfolio.

Interest on funds held at bank is included when receivable and the amount can be measured reliably by the trust; this is normally upon notification of the interest paid or payable by the bank.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis.

Expenditure on raising funds are those costs directly attributable to managing the investment portfolio and raising investment income and an apportionment of overhead and support costs.

Expenditure on charitable activities are grant funding costs and an apportionment of overhead and support costs.

Grant funding costs are grants awarded to third parties in furtherance of the charitable objects of the Trust. Grants payable are charged in the year when the offer is formally conveyed to the recipient.

Governance costs comprise all costs involved in the public accountability of the trust and its compliance with regulation and good practice. These costs include costs relating to statutory audit.

Governance and support costs are allocated to the activities on the basis of time spent supporting those activities by the trust staff: 25% to raising funds and 75% to charitable activities.

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	25% reducing balance
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1.6 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. The fair value of equity investments is measured using the closing quoted market price. The fair value of investment properties is primarily estimated using a multiple of rental income for leased properties and based on the expected net return for development property.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The significance of investments to the trust's financial performance and position is considered in the financial review and investment policy and performance sections of the Trustees' Report. The trust does not acquire put options, derivatives or other complex financial instruments.

1.7 Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2. Critical accounting judgements and key sources of estimation uncertainty

Judgements and estimations are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In making these estimates the trust makes assumptions concerning the future. The judgements and estimations that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Colyer-Fergusson Charitable Trust

**Notes to the accounts (continued)
For the year ended 5 April 2016**

2.1 Investment property

The trust's investment property portfolio includes land held for development. The valuation of this land takes into consideration a number of different assumptions including an assessment of the likelihood of planning permission being granted to develop the land and an estimate of the expected net return on any development. The trustees, with reference to the advice of independent property surveyors, assess these assumptions when valuing the land.

3. Income from investments

	2016	2015
	£	£
Rental income	174,840	158,170
Other property income	-	10,501
Income from listed investments	248,742	272,928
Income from fixed interest investments	54,089	31,023
Interest receivable	2,267	2,223
	<u>479,938</u>	<u>474,845</u>

4. Total expenditure

	Grant funding costs (Note 5)	Other direct costs	Support and governance costs (Note 4)	Total 2016	Total 2015
	£	£	£	£	£
Raising funds					
Investment property costs	-	54,244	25,117	79,361	135,644
Investment management costs	-	48,617	25,117	73,734	69,310
	<u>-</u>	<u>102,861</u>	<u>50,235</u>	<u>153,096</u>	<u>204,954</u>
Charitable activities					
Grant funding of activities	1,001,161	-	150,701	1,151,862	745,675
	<u>1,001,161</u>	<u>79,196</u>	<u>200,936</u>	<u>1,304,957</u>	<u>950,629</u>

Colyer-Fergusson Charitable Trust

**Notes to the accounts (continued)
For the year ended 5 April 2016**

5. Support and governance costs

	2016	2015
	£	£
Staff costs (Note 7)	71,950	71,993
Professional fees	97,352	72,016
Office costs	26,572	24,407
Other costs	5,062	3,750
	<u>200,936</u>	<u>172,167</u>

Included in the above are governance costs of £58,106 (2015: £61,509) relating to the cost of external audit, direct costs incurred by the board and an apportionment of support costs.

6. Grants payable

	2016	2015
	£	£
Grant making	<u>1,001,161</u>	<u>616,550</u>

Full details of grants awarded are given in Appendix 1.

Reconciliation of grants payable

Commitments made in the year	1,001,161	1,011,880
Grants paid during the year	(991,347)	(860,881)
Commitments released in the year	-	(395,330)
Commitments at 6 April 2015	<u>730,549</u>	<u>974,880</u>
Commitments at 5 April 2016	<u>740,363</u>	<u>730,549</u>

Commitments at 5 April 2016 are payable as follows:

Within one year	551,850	579,581
After more than one year	188,513	150,968
Commitments at 5 April 2016	<u>740,363</u>	<u>730,549</u>

7. Related party transactions and trustees' expenses and remuneration

During the year, four trustees were reimbursed £400 in respect of travel expenses (2015: three trustees, £2,089). No trustee received any remuneration in the year (2015: none).

Rosalind Riley, a Trustee, is married to the Deputy Chairman of Trustees of the Kent Community Foundation (KCF). The Trust regularly works in partnership with the KCF and made a small grant of £5,000 to it in the year (2015: £nil). Rosalind Riley is not involved in the decision-making relating to any joint working arrangements or grant awards to the KCF.

8. Staff costs and remuneration of key management personnel

Number of employees

The average monthly number of employees during the year was

	2016	2015
	£	£
Administrative	2	2
	<hr/>	<hr/>
	2016	2015
	£	£
Employment costs		
Wages and salaries	66,950	66,950
Social security costs	5,000	5,043
	<hr/>	<hr/>
	71,950	71,993
	<hr/>	<hr/>

The Trust considers its key management personnel comprise the trustees and the Chief Executive. The total employment benefits of the key management personnel were £51,500 (2015: £51,500). No employees received employee benefits in excess of £60,000 (2015: none).

Colyer-Fergusson Charitable Trust

**Notes to the accounts (continued)
For the year ended 5 April 2016**

9. Fees payable to the Trust's auditors

Resources expended include amounts payable to the Trust's auditors as follows:

	2016	2015
	£	£
Audit fees		
- Current auditors	15,075	9,000
Other services		
- Current auditors	24,560	8,400
- Previous auditors	-	12,790
	<hr/>	<hr/>
	39,635	30,190
	<hr/>	<hr/>

10. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 6 April 2015	22,248
Additions	751
	<hr/>
At 5 April 2016	22,999
Depreciation	
At 6 April 2015	18,930
Charge in the year	887
	<hr/>
At 5 April 2016	19,817
	<hr/>
Net book value	
At 5 April 2016	3,182
	<hr/>
At 5 April 2015	3,318
	<hr/>

Notes to the accounts (continued)
For the year ended 5 April 2016

11. Investment properties

	£
Market value at 6 April 2015	10,960,250
Disposals	(300,000)
Revaluation	<u>3,075,440</u>
Market value at 5 April 2016	<u>13,735,690</u>

The investment properties were revalued by Caxtons, Chartered Surveyors of Gravesend, Kent at open market value at 5 April 2016.

12. Fixed asset investments

	Fixed interest £	Listed investments £	Total £
Market value at 6 April 2015	1,931,327	8,525,938	10,457,265
Disposals at opening book value	(380,930)	(1,914,522)	(2,295,452)
Acquisitions at cost	296,241	1,015,247	1,311,488
Change in value in the year	(8,498)	(168,624)	(177,122)
Market value at 6 April 2016	<u>1,838,140</u>	<u>7,458,039</u>	<u>9,296,179</u>
Fixed asset investments held:			
In the UK	1,838,140	5,475,340	7,313,480
Outside the UK	-	1,982,699	1,982,699
Market value at 6 April 2016	<u>1,838,140</u>	<u>7,458,039</u>	<u>9,296,179</u>
Historical cost:			
At 6 April 2016	<u>1,782,384</u>	<u>5,428,150</u>	<u>7,210,534</u>
At 6 April 2015	<u>1,864,254</u>	<u>5,794,998</u>	<u>7,659,252</u>

Colyer-Fergusson Charitable Trust

**Notes to the accounts (continued)
For the year ended 5 April 2016**

13. Debtors	2016	2015
	£	£
Trade debtors	76,613	69,493
Prepayments and accrued income	24,132	20,203
	<u>100,745</u>	<u>89,696</u>
14. Creditors: amounts falling due within one year	2016	2015
	£	£
Grants payable (note 5)	551,850	579,581
Trade creditors	7,264	-
Tax and social security	4,652	64,956
Accruals	37,472	42,184
Deferred income	29,326	27,818
	<u>630,564</u>	<u>714,539</u>
Deferred income relates to rent received in advance. All deferred income brought forward was released in the year.		
15. Creditors: amounts falling due after more than one year	2016	2015
	£	£
Grants payable	<u>188,513</u>	<u>150,968</u>
16. Operating lease commitments		
At the balance sheet date, the Trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:		
	2016	2015
	£	£
Within one year	9,158	-
In the second to fifth years inclusive	14,953	-
After five years	-	-
	<u>24,111</u>	<u>-</u>

Colyer-Fergusson Charitable Trust

**Notes to the accounts (continued)
For the year ended 5 April 2016**

17. Unrestricted funds

Movements on unrestricted funds are as follows:

	Balance at 6 April 2015 £	Income £	Expenditure £	Gains on investments £	Balance at 5 April 2016 £
Unrestricted funds	21,654,331	479,938	(1,304,957)	2,849,620	23,678,932

Unrestricted funds are available to be spent for any purposes of the trust.

Colyer-Fergusson Charitable Trust

Appendix 1: Grants awarded (unaudited) For the year ended 5 April 2016

Grants to organisations approved in the year

£

Addaction

Towards the cost of 'Mind & Body' an early intervention programme for young people who are self-harming.

20,000

Canterbury Cathedral

Support for a new stonemasonry apprenticeship at the Cathedral for a young person with 'poverty of opportunity'.

54,000

Charlton Athletic Community Trust

Towards the post of a full-time mentor to work with young people to improve their personal resilience, achievements and ambitions.

79,650

Dandelion Time

Support programme for disadvantaged young parents affected by emotional difficulties.

60,000

Education Business Partnerships Sandwich

To prepare, empower and support vulnerable and disadvantaged.

41,130

Home-Start Canterbury and Coastal

To deliver 'attachment' programmes to young parents, including young fathers, to benefit their children's positive development.

23,000

Innov8 on Sheppey CIC

To engage young people, excluded from school or NEET, in creative coding, graphic art, film, music production and social marketing.

48,000

Kent Community Foundation

To arrange and host a funders roundtable event focussed on finding ways to reduce the number of NEET young people in Kent.

5,000

Kent Foundation for Young Entrepreneurs

To provide a specialist mentor for young unemployed people in Kent who want to start their own business.

31,250

Maidstone and Mid-Kent Mind

Towards the 'Work, Well Being and You' programme, a training programme for NEETS experiencing mental health issues such as anxiety and depression.

24,000

Sub total

386,030

This page does not form part of the statutory financial statements.

Colyer-Fergusson Charitable Trust

**Appendix 1: Grants awarded (unaudited) (continued)
For the year ended 5 April 2016**

Grants to organisations approved in the year (continued)

£

mhs homes

Towards the cost of a 'Functional Skills Assistant' to provide onsite vocational skills training for vulnerable 16 - 25 years olds.

36,000

The Music Hub Plus

To provide an innovative programme of study for young people focusing on the music industry, to create a pathway to employment through work experience.

72,600

PACE Foundation CIC

To provide sporting opportunities, including coach education programmes for young people in deprived wards in Kent.

27,000

Refocus

Continued support for a mentoring service for the most difficult-to-reach young people at risk of offending.

99,772

Romney Resource 2000 Ltd

To extend and improve provision for the hardest to reach NEETs through a safe one-stop facility for education, support and mentoring.

25,000

School-Home Support

To improve school attendance rates amongst disadvantaged 11 - 18 year olds in Gravesend.

61,500

Sheppey Matters

Towards 'Healthy HeArts' health and wellbeing project to enable disadvantaged young people to gain life and work skills.

59,253

Switch Youth Café

Towards the costs of a youth café in Maidstone High Street that focuses on personal and social development for young people.

45,350

Thanet Community Development Trust

To provide opportunities for young people leaving care to prepare them emotionally and practically to become independent and productive adults.

40,840

Town and Country Foundation

To work with young social housing residents offering them apprenticeships with contractors with a view to longer-term employment.

36,648

Uprising Youth and Community, Ashford

Towards the continuation of work at the 'House' project and 'Hang 10' detached youth service, helping and supporting for young people.

23,040

Sub total

913,033

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Colyer-Fergusson Charitable Trust

**Appendix 1: Grants awarded (unaudited) (continued)
For the year ended 5 April 2016**

Grants to organisations approved in the year (continued)

£

West Kent YMCA

To provide 'functional skills' support, giving young people the confidence to achieve personal and vocational goals.

50,000

Grand total

963,033

Hardship Grants approved and paid via referral partners in the year

Referral Partner	No.	Amount £
Caldecott Foundation	1	500
Charlton Athletic	15	3,450
Growth Rings CIC	1	485
Kings Reach	12	924
KSS CRC	1	80
Marsh Academy	5	2,350
Medway Youth Trust	33	13,203
MHS Community Charity	1	462
Porchlight	11	3,583
Romney Resource Trust	7	2,675
St Anthony's School	17	5,266
West Faversham Com Assoc.	7	2,490
Word on the Street	2	850
Young Kent	2	810
Young Lives	2	1,000
Grand Total	117	38,128

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