

**THE HADLEY TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2021**

Charity Number 1064823

**THE HADLEY TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

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THE HADLEY TRUST

TRUSTEES AND PROFESSIONAL ADVISERS

The Trustees	Philip Hulme Jan Hulme Tom Hulme Juliet Lyon Kate Prideaux Sophie Swift
Charity Offices	'Gladsmuir' Hadley Common Barnet Herts. EN5 5QE
Auditors	Newton & Garner Limited Chartered Accountants & Registered Auditors Building 2 30 Friern Park North Finchley London, N12 9DA
Accountants	City Tax Consultants Limited Building 2 30 Friern Park North Finchley London, N12 9DA
Bankers	Barclays Bank plc One Stanhope Gate Mayfair London W1K 1AF
Solicitors	Linklaters One Silk Street London EC2Y 8HQ
Investment Advisers	Goldman Sachs International Plumtree Court 25 Shoe Lane London EC4A 4AU

**THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2021**

The trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 31st March 2021.

CONSTITUTION AND OBJECTS

The Hadley Trust is constituted by trust deed dated the 29th September 1997. It is a grant making charity. Under the terms of the deed the trustees are able to apply the income of the trust in such manner as they think fit for objects which are charitable according to the laws of England and Wales. In practice, the main focus has been on helping people who are disadvantaged to improve their situation, either by involvement in project and support work or research into the causes of, and means to alleviate, hardship.

GRANT MAKING POLICIES

The trustees' general approach is to further the trust's objects by engaging with and making grants to other registered charities. Occasionally the trust will make grants to organisations which are not registered charities provided the activity being funded supports the trust's charitable purposes. A good example of this is the work that Crest Advisory have carried out for the trust which is described below. In general, the trustees prefer to work with small to medium-sized organisations and establish the trust as a reliable, long-term funding partner.

In recent years the trust has become increasingly focused on some core areas of activity where the trustees feel the trust is able to have the greatest impact. Consequently the trust has tended to establish more in-depth relationships with a smaller number of selected partners.

The result of this policy is that the trust does not take on many new funding commitments. Nevertheless the trustees will always consider and respond to proposals which might enhance the effectiveness of the trust.

PUBLIC BENEFIT

The trustees consider that public benefit accrues from the trust's grant-making activities and have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities the trust should undertake.

REVIEW OF ACTIVITIES

During the year 69 organisations received grants totalling £3,544,041. This compares with 84 organisations and a total of £3,610,571 in 2019/20.

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TRUSTEES' ANNUAL REPORT (*continued*)
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REVIEW OF ACTIVITIES

The following is a breakdown of the trust's grants by area of activity. The breakdown in the prior year has been included in brackets for comparison purposes.

Crime and Justice	40.9%	(39.4%)
Young people	16.6%	(12.3%)
Social Investment	11.9%	(2.4%)
Hospices	9.7%	(19.2%)
Local	9.1%	(8.3%)
Medical	6.4%	(5.6%)
Disabilities	4.6%	(4.3%)
International	0.8%	(0.7%)
Climate Change	0%	(7.8%)

In general, the trust's overall focus has not changed since 2019/20. The exception is climate change which we discuss later. Otherwise, percentages have only moved due to timing issues or special one-off payments. For example, in 2019/20 a significant and exceptional donation was made to Noah's Ark Children's Hospice. The increase in Social Investment is entirely due to timing which made it particularly low in 2019/20.

Criminal justice remains the trust's main area of activity. The trust has continued to build on its established long-term partnerships with a number of dedicated criminal justice charities including Centre for Justice Innovation, Prison Reform Trust, Prisoners' Advice Service, Criminal Justice Alliance, Prisoners' Education Trust and Transform Justice. It has also funded think tanks, such as Crest Advisory, to carry out research into crime and justice policy issues. In the following sections of the report we discuss our involvement with the largest recipients of our funding. This provides more insight into our work in the criminal justice area.

The primary focus of the trust's work with young people has been young people in care. Our work in this area has been growing steadily over the last few years. It includes funding for service provision and policy work by Coram Voice (which provides advocacy services for young people in care) and the Rees Centre at the University of Oxford. These two organisations continue to work on the Bright Spots project which began in 2013/14. We return to Bright Spots below.

In the year the trust also funded the Social Market Foundation to investigate how to improve fostering in England. They published two reports, the first shows how local authorities are failing to meet their statutory duty to provide enough foster carers to meet the needs of children in care. The second looks at how to attract more people to be foster carers and how to reduce the number of existing ones leaving.

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TRUSTEES' ANNUAL REPORT (*continued*)
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In 2019/20 the trustees decided to look at how we might engage with the issue of climate change. As part of the process of familiarizing ourselves with the issues we chose to make initial contributions in three areas. Covid meant that these projects proceeded more slowly than expected and so did not require additional funding in 2020/21.

However we also have serious doubts about the efficacy of the projects and our overall involvement in this area – in spite of its enormous importance. We are open-minded but the most likely outcome is that we will stay focused on our existing core areas of activity and expertise.

As in previous years, a complete and detailed list of the organisations in receipt of the trust's grants has been made available to the Charity Commission. Information on the trust's involvement with the six largest recipients will follow below.

However, first we want to draw attention to a very unfortunate event which happened in late 2020. The charity was the target of a cyber attack which resulted in a significant financial loss. We will return to this immediately after the following sections.

The Centre for Justice Innovation

Some years ago the trust worked with the Centre for Court Innovation, a New York based charity, to set up a similar operation in the UK. Subsequently the Centre for Justice Innovation (CJI) was founded in London in 2010.

One of CJI's core aims is to improve the effectiveness and fairness of the criminal court system in the UK. This has developed from CJI's efforts, over many years, to encourage the use of problem-solving justice. As part of this, the team has continued its support of the community courts in Devon and Cornwall to ensure the problem-solving capability continues and develops whilst simultaneously implementing proper evaluation mechanisms. They have achieved this by partnering with a local charity – CASSPLUS. The team have recently added a fourth advice service, in Newton Abbot, funded by the local police and crime commissioner.

In addition, CJI has helped to set up a similar service in the magistrates' court in Highbury in North London. This has now been running for six years and the CJI now has direct responsibility for its management. CJI are now working with CASSPLUS to encourage the use of this model in more courts.

CJI has supported the Family Drug and Alcohol courts (FDACs) for several years. These are problem solving courts which work to help parents overcome their problems so that families can stay together. CJI now acts as a champion for these courts, encouraging and assisting the setting up of new ones, and providing advice, training and support to those already running. They are now working with the English and Welsh government to expand their use further.

CJI has been working for some time on a programme looking at practices used at the local level to divert people who are guilty of low-level offending away from the formal criminal justice system. This pre-court diversion can be shown to result in better

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TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2021**

outcomes both for those who have committed crimes and for the community as a whole. CJI have been working with Youth Offending Teams in England and Wales to encourage best practice approaches for young people, and also working separately to improve diversion practices for adult men and women.

In addition, CJI are also involved in reforming community sentences, mapping innovation, running workshops promoting practice sharing, developing toolkits and other resources, and providing hands-on assistance.

Crest Advisory

The trust has been working with Crest Advisory for several years, starting in 2015 with a report on the role of tagging in offender management. This was published under the umbrella of Reform. During 2016 Crest wrote a report looking at how criminal justice might be localised. This was carried out in conjunction with GovernUp. After the above projects, the trust started to fund Crest directly, rather than through charitable intermediaries, as the most effective means of pursuing the trust's charitable objectives.

Starting in 2018, Crest investigated a new approach to women offenders. For many years, reports have been written which largely agree that female offenders face different challenges, and what needs to be done about it. However, frustratingly, little has actually happened. Crest has worked with two Police and Crime Commissioners to establish what could be done to make a difference at a local level. They continue to work in this area and at the time of writing are investigating the huge cost of maternal imprisonment.

During the year Crest looked at how Covid-19 has affected the justice system, in particular highlighting where the backlogs are. They then modelled where they were heading. They also worked on a project investigating how children in care are being exploited by drug gangs in "county lines".

Crest continues to work on a long-term project to measure the effectiveness of the criminal justice system. This is intended to allow police and crime commissioners to measure and understand their performance, compare and identify best practices, and therefore enhance the performance of the criminal justice system in their areas.

Coram Voice and the Rees Centre

The Trust started contributing to Voice's core costs in 1998 to enable them to provide professional advocacy services to young people in the care of the state. In 2013, Voice joined the Coram group of charities and became Coram Voice. The Trust has continued its support of the charity in this new phase.

Coram Voice and the Hadley Centre at Bristol University started work on the Bright Spots project in 2013. It is a substantial multi-year programme modelled on the Out of Trouble programme run by the Prison Reform Trust. The aim is to highlight areas of good practice within Children Services at Local Authorities and encourage the replication of these practices more widely.

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The first phase of work involved understanding what constitutes a good care journey. To do this the partners worked with local authorities and the young people themselves to develop a questionnaire for looked-after young people. Subsequently a second questionnaire for care leavers was developed.

Over the years over 10,000 questionnaires have been completed and a great deal has been learnt, with many areas of good practice (and poor practice) being highlighted and acted upon to improve outcomes in participating local authorities. In 2019 the Rees Centre at the University of Oxford took over from the Hadley Centre at Bristol.

During the year the programme was evaluated, and this process created a practice bank showcasing good practices (Bright Spots) which can be referenced by other local authorities. The team also provided the findings of the care leavers survey work, which clearly showed that care leavers are doing less well than the children in care.

We continue to support the Bright Spots work and hope it makes a noticeable difference to the children in Local Authority care in the UK. Given the Bright Spots work is now well established, we are also looking at new ways to work with both Coram and the Rees Centre, as well as our other partners.

Noah's Ark Children's Hospice

Noah's Ark is an innovative children's hospice service, providing practical and emotional support to life-limited and life-threatened children and their families within the communities of North London. The Hadley Trust has provided financial support for Noah's Ark core costs since the service was set up in 2003 and also assisted with specific projects such as capacity building in 2011, funding the head of care for three years from 2010, opening a new charity shop in 2012 and, more recently, the construction of North and Central London's only children's hospice building – The Ark, which opened in 2019.

Historically Noah's Ark has predominantly been an outreach service, using trained volunteers with professional support. The charity is now using its new building to provide support services, respite care and accommodation to the children and their families. In 2020 the trust paid to enhance the gardens and surrounding land to better serve the particular needs of the children.

Last year the trust made a further donation of £250,000 to Noah's Ark as match funding to encourage wider contributions to their fund raising. The campaign was a success and raised over £2million.

Policy Exchange

Policy Exchange continues to be an important partner for the trust although the focus of our joint efforts has shifted to reflect the ever-changing political environment and Policy Exchange's own changing mix of expertise. Following some years of funding specific

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projects in various areas, we now make a general contribution to Policy Exchange's core costs.

Prison Reform Trust

The Hadley Trust is the principal funder of the Prison Reform Trust's Advice and Information Service. Each year the service provides support to over 5,000 prisoners and their families. The information gathered by the service provides an important input to PRT's policy and lobbying activity which the trust also supports directly. In addition, the trust funds an ex-offender working in the Advice and Information Service on an intern basis.

CYBER ATTACK

In January 2021 it became apparent that the charity had been the victim of a substantial cyber fraud between December 2020 and early January. The total losses were £388,500.

The fraud followed our decision to start using bank transfers to pay our recipient charities instead of our traditional cheque-based system. The change was at our recipients' request as many of them were finding it difficult to deposit cheques during lockdown.

The actual payments were made through our bank's call centre in Glasgow. They required dual authentication and voice recognition of both "signatories". We had a high degree of confidence in this system.

Unfortunately, sometime in 2020 our network and e-mail systems were compromised. The hackers monitored our email correspondence, intercepted and changed emails (both internal and external) and changed and substituted attachments to amend payment details. Correspondence purporting to be with recipient charities were very cleverly created in the style of our usual correspondents. Unfortunately we were "spoofed" into transferring money into fraudulent accounts.

The fraud was reported to our banks, the Charity Commission, the National Fraud Intelligence Bureau and the police. Outside security consultants reviewed our network and substantially raised its resilience to threat. We immediately redesigned our payment procedures. The key change is that we now go through a very thorough account take-on and checking procedure and never rely on information contained in emails. These changes are time consuming and have added overhead but they are necessary.

We are currently working with an outside provider to upgrade our network hardware further and institute remote security monitoring. Our auditors will conduct a further, independent review of our new payment processes as part of our annual audit in late 2021. Our security consultants advised us that the attacks appear to have originated in Nigeria. We consulted specialist lawyers who advised that it was not financially viable to seek legal redress.

**THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2021**

We are being very open about our experiences with our charity partners. Cyber risks are a huge and growing threat for everyone. We hope our openness might help others avoid falling into some of the same traps. Our own staff are constantly reminded of the need to be alert to cyber threats. Our IT provider will review our systems regularly and appraise us of new and emerging threats.

The loss, although substantial, has not impacted the operations of the charity and we are pleased to report that our settlor has recently made an additional donation in order to fully reinstate our balance sheet.

INVESTMENT POWERS

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity.

INVESTMENT POLICY AND PERFORMANCE

The charity's original endowment was comprised of a donation of shares in Computacenter. Subsequently the charity has received further similar donations from the settlor.

At the time of Computacenter's flotation in 1998 the majority of the charity's shareholding was sold and the proceeds reinvested. The resulting portfolio has been managed by Goldman Sachs with the exception of a holding in Apax Europe VI and a modest holding of investment property.

The trust deed requires future trustees to endeavour to maintain the real value of the endowment, whilst applying any surplus for charitable purposes. The present trustees also seek to protect the capital of the trust against inflation. To maintain an appropriate balance Goldman Sachs have been asked to manage the portion of the portfolio for which they are responsible conservatively and on a total return basis.

During 2020/21 the total value of the trust's holdings increased by £77 million to £287.2 million which is an increase of 36.6%. The comparable number for 2019/20 (prior to a further donation made by the settlor in that year) was 11.5%. These are net increases, after charitable donations and all other outgoings.

The rate of return on the component of the portfolio managed by Goldman Sachs was 26.9% (compared to minus 2.8% in 2019/20). This is partly an accident of timing. The FTSE fell by 29% in the first quarter of 2020 and then bounced back 25% by the end of the trust's financial year.

These returns are obviously exceptional and the trustees remain satisfied with the trust's overall financial performance.

RESERVES POLICY

The trustees do not designate any particular components of the charity's endowment as reserves. If necessary, in any given year, a significant portion of the charity's assets could be made available for charitable purposes at the discretion of the present trustees. Thus budgeted charitable expenditure is well within the charity's funding capability. This

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approach, like the investment policy, is consistent with the charity's stated intention of being a reliable and long-term funder.

RISK MANAGEMENT

Trustees are responsible for monitoring the risks facing the trust and ensuring that adequate steps are taken to mitigate them. Probably the most significant risk is the financial risk which is addressed above.

In 2015 the trust also implemented a formal risk management policy. This is based on a table of potential risks, ranked via a traffic light system according to the aggregate of likelihood and severity of impact. This table is kept under regular review and is formally updated and reviewed once a year. In March 2021, the trustees reviewed the risks to which the trust is exposed and measures taken to mitigate them and they were satisfied that adequate safeguards were in place.

The financial controls are reviewed annually.

THE TRUSTEES

The following trustees served throughout 2020/21.

Philip Hulme
Jan Hulme
Tom Hulme
Juliet Lyon
Kate Prideaux
Sophie Swift

TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year. In preparing financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2021

The trustees are responsible for keeping accounting records which enable them to ascertain and disclose with reasonable accuracy the financial position of the charity and ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware and
- the trustees have taken all necessary steps to make themselves aware of any relevant audit information and to ensure that the auditors are aware of the same.

The trustees strive to avoid any conflict of interest between the interests of the Hadley Trust on the one hand, and personal, professional, and business interests on the other. This includes avoiding the perception of conflicts of interest as well as actual conflicts of interest.

The trustees are aware of and have noted the new code of governance suggested by the charity commission, and will apply it as they consider appropriate.

The trustees believe that they have fulfilled all of the above obligations and that this report and the accompanying accounts are compliant with the trust's governing document and the Charity Commission's Statement of Recommended Practice.

This trustees' report,
having been approved by the trustees,
was signed on their behalf by:

Dated: 12/1/22



P W Hulme
Trustee

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE HADLEY TRUST
FOR THE YEAR ENDED 31ST MARCH 2021**

Opinion

We have audited the financial statements of The Hadley Trust for the year ended 31st March 2021 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Charities SORP (FRS 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 charity's affairs at 31st March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusion related to going concern

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

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

Other information

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

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE HADLEY TRUST (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2021**

Other information

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 material 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 an material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 trustees 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 trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practice Board's (APB's) Ethical Standards for Auditors.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE HADLEY TRUST (*continued*)
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Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable trust operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The main law and regulation we considered in this context was the Charities SORP (FRS 102). We assessed the required compliance with these as part of our audit procedures on the related financial statement items.

We also considered the opportunities and incentives that may exist within the charitable trust for fraud. Auditing standards limit the required audit procedures to identify non-compliance.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recording of income and valuation of investments and the override of controls by management. Our audit procedures to respond to these risks included additional work reviewing investment income and valuations, enquiries of management and analytical review procedures.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

R. Knight

Robert Knight, FCCA, ATII, Statutory Auditor
For and on behalf of Newton & Garner Limited
Newton & Garner Limited
Chartered Accountants & Registered Auditors
Building 2,
30 Friern Park,
North Finchley,
London, N12 9DA

Date 12/1/22

THE HADLEY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2021

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds Year to 2021 £	Total Funds Year to 2020 £
INCOME AND ENDOWMENTS					
Donations and legacies	4	-	-	-	2,852,100
Investments	5	<u>1,749,245</u>	-	<u>1,749,245</u>	<u>3,410,574</u>
TOTAL INCOME		<u>1,749,245</u>	-	<u>1,749,245</u>	<u>6,262,674</u>
EXPENDITURE					
Expenditure on raising funds:					
Investment management costs	6	(415,311)	-	(415,311)	(421,696)
Expenditure on charitable activities	7/8	<u>(3,785,759)</u>	-	<u>(3,785,759)</u>	<u>(3,864,623)</u>
TOTAL EXPENDITURE		<u>(4,201,070)</u>	-	<u>(4,201,070)</u>	<u>(4,286,319)</u>
Net gains on investments	12		4,835,255	4,835,255	3,592,477
Net income		<u>(2,451,825)</u>	4,835,255	<u>2,383,430</u>	<u>5,568,832</u>
Transfer between funds	13	<u>2,451,825</u> -	<u>(2,451,825)</u> 2,383,430	- 2,383,430	- 5,568,832
OTHER RECOGNISED GAINS AND LOSSES					
(Losses)/gains on revaluation of fixed assets		-	74,662,183	74,662,183	18,603,891
NET MOVEMENT IN FUNDS		-	77,045,613	77,045,613	24,172,723
RECONCILIATION OF FUNDS					
Total Funds brought forward		-	210,174,915	210,174,915	186,002,192
TOTAL FUNDS CARRIED FORWARD		<u>-</u>	<u>287,220,528</u>	<u>287,220,528</u>	<u>210,174,915</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

THE HADLEY TRUST
STATEMENT OF FINANCIAL POSITION
31ST MARCH 2021

		2021		2020	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	14		-		1,813
Investments	15		<u>285,626,848</u>		<u>209,399,455</u>
			285,626,848		209,401,268
CURRENT ASSETS					
Debtors	16	453,341		59,885	
Cash at bank		<u>1,184,298</u>		<u>757,617</u>	
		1,637,639		817,502	
CREDITORS: Amounts falling due within one year	17	<u>(43,959)</u>		<u>(43,855)</u>	
NET CURRENT ASSETS			<u>1,593,680</u>		<u>773,647</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>287,220,528</u>		<u>210,174,915</u>
NET ASSETS			<u><u>287,220,528</u></u>		<u><u>210,174,915</u></u>
FUNDS OF THE CHARITY					
Endowment funds	18		<u>287,220,528</u>		<u>210,174,915</u>
TOTAL CHARITY FUNDS			<u><u>287,220,528</u></u>		<u><u>210,174,915</u></u>

These financial statements, having been approved by the trustees,
were signed on their behalf by:

dated: 12/1/22



P.W. Hulme
Trustee

The notes on pages 16 to 21 form part of these accounts

THE HADLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities:- Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) - (Charities SORP (FRS 102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Hadley Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. There are no material uncertainties about The Hadley Trusts ability to continue as a going concern.

In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) the restatement of comparative items was required. No material restatement of comparative items was required.

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

Income

Voluntary income and donations are accounted for when received by the charity. Donations of shares are valued at the mid-price on the date of donation. Donations of properties are valued at their market value on the date of donation.

Investment income is accounted for in the period in which the charity is entitled to receipt.

Expenditure

Expenditure is accounted for on an accruals basis.

Expenditure on raising funds comprise those costs directly attributable to managing the investment portfolio and raising investment income.

Grants payable are charged in the year when the charity offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource costs relating to a particular activity.

Tangible fixed assets and depreciation

Fixed assets are initially measured at cost and subsequently measured at cost net of depreciation.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	20% straight line
Motor vehicle	-	25% straight line
Office furniture	-	15% straight line

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

ACCOUNTING POLICIES *(Continued)*

Tangible fixed assets and depreciation *(Continued)*

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the Statement of Financial Activities.

Investments

Investments are included at closing mid-market value at the balance sheet date. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities and are calculated on a first in first out basis.

Unlisted investments are initially recorded at cost, and subsequently measured at fair value.

Investment properties are included at their open market value at the balance sheet date.

Cash at bank

Cash at bank are basic financial assets and include deposits held at call with banks and bank overdraft. Bank overdraft are shown within borrowings in current liabilities.

Foreign currencies

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

Value Added Tax

Value Added Tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

4. DONATIONS AND LEGACIES	2021	2020
	£	£
Other voluntary income	-	2,852,100
	<u></u>	<u></u>
5. INVESTMENT INCOME	2021	2020
	£	£
Income from investment properties	57,932	57,433
Income from listed investments	1,686,885	3,336,351
Income from cash investments	(572)	11,790
Income from other investments	5,000	5,000
	<u>1,749,245</u>	<u>3,410,574</u>
	<u></u>	<u></u>
6. INVESTMENT MANAGEMENT COSTS	2021	2020
	£	£
Portfolio management	385,512	405,595
Rent collection and investment property management	7,442	7,372
Property repairs and maintenance charges	22,357	8,729
	<u>415,311</u>	<u>421,696</u>
	<u></u>	<u></u>

7. EXPENDITURE ON CHARITABLE ACTIVITIES

The charity undertook no direct charitable activities but awarded grants to a number of institutions in furtherance of its charitable activities. A complete and detailed list of the organisations in receipt of the trust's grants has been made available to the Charity Commission.

The following is an analysis of grants, including allocated support costs, according to the categories set out in the Trustees' Report on page 3.

	Grants	Support Costs	Governance Costs	Total Funds Year to 2021	Total Funds Year to 2020
	£	£	£	£	£
Crime and Justice	1,447,437	44,630	54,233	1,546,300	1,520,744
Young People	586,195	18,113	22,012	626,320	473,558
Social investment	421,000	12,985	15,779	449,764	93,935
Hospices	345,000	10,584	12,862	368,446	740,278
Local	324,026	9,930	12,067	346,023	319,501
Medical	226,383	6,984	8,486	241,853	215,143
Disabilities	164,000	5,019	6,100	175,119	164,301
International	30,000	873	1,061	31,934	37,462
Climate change				0	299,702
	<u>3,544,041</u>	<u>109,118</u>	<u>132,600</u>	<u>3,785,759</u>	<u>3,864,624</u>
	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>

8. SUPPORT AND GOVERNANCE COSTS	2021	2020
	£	£
The breakdown of support costs attributable to charitable activities is:		
Staff salaries & NI	105,517	104,250
Depreciation	1,813	8,405
Motor	1,526	1,166
Office	262	382
Travel	-	650
Governance costs - Legal, audit & accountancy	132,600	139,200
	<u>241,718</u>	<u>254,053</u>
	<u></u>	<u></u>

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

9. STAFF COSTS AND EMOLUMENTS

	2021 £	2020 £
The aggregate payroll costs were:		
Wages and salaries	97,500	95,500
Social security costs	8,017	8,750
	<u>105,517</u>	<u>104,250</u>

Particulars of employees:

The number of staff employed by the charity during the financial year amounted to:

	2021 No.	2020 No.
Administration	<u>2</u>	<u>2</u>

No employee received emoluments of more than £60,000 during the year (2020 - Nil).

10. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No remuneration was paid to trustees in the year (2020 - Nil), nor were any trustees' expenses reimbursed (2020 - Nil).

No trustee had any personal interest in any contract or transaction entered into by the charity during the year (2020 - Nil).

11. NET INCOME

	2021 £	2020 £
This is stated after charging:		
Depreciation	1,813	8,405
Auditors remuneration:		
- audit of the financial statements	<u>4,800</u>	<u>3,600</u>

12. NET GAINS ON INVESTMENTS

	2021 £	2020 £
Gains/(Losses) on cash held for investment purposes	669,061	(148,828)
Gains on listed investments	3,349,573	1,647,200
Gains on other investments	816,621	2,094,105
	<u>4,835,255</u>	<u>3,592,477</u>

13. TRANSFER BETWEEN FUNDS

In accordance with the trustees' Reserves Policy and with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2015 FRS102) (Para. 4.39), power of discretion has been exercised to convert £2,451,825 (2020 - £875,745) expendable endowed capital into income.

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

14. TANGIBLE FIXED ASSETS

	Office Furniture	Equipment £	Motor Vehicle £	Total £
COST				
At 1st April 2020	14,831	753	24,720	40,304
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st March 2021	<u>14,831</u>	<u>753</u>	<u>24,720</u>	<u>40,304</u>
DEPRECIATION				
At 1st April 2020	13,533	753	24,205	38,491
Charge for the period	1,298	-	515	1,813
Disposals	-	-	-	-
At 31st March 2021	<u>14,831</u>	<u>753</u>	<u>24,720</u>	<u>40,304</u>
NET BOOK VALUE				
At 31st March 2021	<u>0</u>	<u>-</u>	<u>0</u>	<u>0</u>
At 31st March 2020	<u>1,298</u>	<u>-</u>	<u>515</u>	<u>1,813</u>

15. INVESTMENTS

	Cash or Cash Equivalents £	Listed Investments £	Investment Properties £	Other Investments £	Total £
Cost or valuation					
At 1st April 2020	(296,705)	167,238,012	3,070,000	39,388,148	209,399,455
Additions	3,887,787	3,261,021	-	4,456,965	11,605,773
Disposals	(3,837,310)	(6,107,375)	-	(95,878)	(10,040,563)
Revaluations	1,222,535	73,990,660	-	(551,012)	74,662,183
At 31st March 2021	<u>976,307</u>	<u>238,382,318</u>	<u>3,070,000</u>	<u>43,198,223</u>	<u>285,626,848</u>
Impairment					
At 1st April 2020 and 31st March 2021				-	-
Carrying amount					
At 31st March 2021	<u>976,307</u>	<u>238,382,318</u>	<u>3,070,000</u>	<u>43,198,223</u>	<u>285,626,848</u>
At 31st March 2020	<u>(296,705)</u>	<u>167,238,012</u>	<u>3,070,000</u>	<u>39,388,148</u>	<u>209,399,455</u>

The trustees consider that the following individual investments requires disclosure:

Listed Investments

Computacenter plc 7,015,117 ordinary shares £166,258,273 (2020 - £100,316,173).

These shares are listed on the London Stock Exchange and are valued at mid-price at the close of business on 31st March 2021. It should be noted that they were donated to the Trust on the understanding that they would be held on a long-term basis and only sold with the prior agreement of the donors.

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

15. INVESTMENTS *(continued)***Other investments**

UK investment properties were revalued at 31st March 2017 by Mr. C.D. Scorer of Scorer Property Services Limited.

16. DEBTORS

	2021 £	2020 £
Other debtors	64,885	59,885
Payments reported to Police	388,456	-
	<u>453,341</u>	<u>59,885</u>

17. CREDITORS: Amounts falling due within one year:

	2021 £	2020 £
Taxation and social security	4,359	4,255
Accruals	39,600	39,600
	<u>43,959</u>	<u>43,855</u>

18. ENDOWMENT FUNDS

	Balance at 1.4.20 £	Incoming Resources inc. gains £	Balance at 31.3.21 £
Expendable endowment	<u>210,174,915</u>	<u>77,045,613</u>	<u>287,220,528</u>

The initial donations which set up the trust and subsequent donations are, under the terms of the Trust Deed, available to be used for charitable purposes. The endowment has been treated in these financial statements as an expendable endowment.