

THE QUINTIN HOGG TRUST

**Report and Financial Statements
For the year ended 31 July 2016**

REPORT AND FINANCIAL STATEMENTS 2016

CONTENTS	Page
Reference and administrative details	3
Report of the Trustees	4
Statement of Trustees' responsibilities	6
Independent Auditor's report to the Trustees of The Quintin Hogg Trust	7
Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Note to the statement of cash flows	11
Notes to the accounts	12
Detailed statement of financial activities	23

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES

Mr Godfrey Cole
Dr Geoffrey Copland
Mrs Joanna Embling
The Hon Dame Mary Hogg
Mr Ian Newton (resigned 30 June 2016)
Mr Donald Wood
Mr Richard Law (appointed 4 October 2016)

SECRETARY

Mr John Gibbons

AUDITOR

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

BANKERS

National Westminster Bank plc
Lloyds Bank plc
Bank of Scotland plc

SOLICITOR

Farrer & Co LLP

INVESTMENT MANAGER & ADVISORS

Investec Wealth & Investment Limited

PRINCIPAL OFFICE

309 Regent Street
London
W1B 2UW

CHARITY NUMBER

1010404

REPORT OF THE TRUSTEES

The Trustees submit their report and the audited financial statements for the year ended 31 July 2016 for The Quintin Hogg Trust, a registered charity no. 1010404.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust was established by Trust deed on 11 April 1990 in the name The Regent Street Polytechnic Trust. It is a registered Charity, number 1010404. On the 21 August 2001, the Trustees passed a resolution and changed the name of the Trust to The Quintin Hogg Trust. The Financial Statements have been prepared in accordance with the Trust Deed and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2014.

Future Trustees are appointed by the Trustees of the Charity by resolution. The number of Trustees must at all times be no less than three and no more than six. The induction process for any newly appointed Trustee comprises a meeting with the Chair of Trustees followed by attendance at the next available Trustees meeting where the history of the Trust, the grant making process and the powers and responsibilities of the Trustee board are conveyed. Training opportunities to both current and new Trustees are offered on an ongoing basis.

The Trustees are committed to implementing a regular review of the significant risks affecting the operation of the Trust.

One of the six Trustees belonged during the year to the University of Westminster's Court of Governors and therefore the University is considered to be a related party. The Quintin Hogg Trust is related to one other separate charitable trust, The Quintin Hogg Memorial Fund. These two Trusts have the same Trustees and therefore common control exists. Details of transactions with related parties are disclosed in note 17 to the accounts.

The Trust has no employees. Administrative functions are conducted by the University of Westminster on its behalf. The University of Westminster's staff spend only part of their time performing these functions for the Trust.

AUDITOR

KPMG LLP have indicated their willingness to continue in office and in accordance with the provisions of the Charities Act 2011 it is proposed that they be re-appointed as auditor to the Trust for the ensuing year.

OBJECTIVES AND ACTIVITIES

The Trust owns the beneficial interest in certain long leasehold properties with leases expiring between 11 October 2919 to 11 October 2933.

The object of the Trust is the advancement of education. The Trustees may allow the land and buildings belonging to the Trust, described in part 2 of the schedule to the scheme registered with the Charity Commission, to continue to be appropriated either wholly or in part for use for the purposes of the University of Westminster

Decisions are made by the Trustees at minuted Trustees' meetings.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit. The Trusts charitable purpose is contained in its objectives and activities, as set out above, and public benefit is realised through the provision of properties and by the giving of donations to the University of Westminster, thus benefiting its students and helping to further their education.

REPORT OF THE TRUSTEES (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE

The Trust achieved an overall surplus of £3,305,956 this financial year (2015: £7,906,833). Grants totalling £803,454 were made to the University of Westminster during the year (2015: £2,000,000).

FINANCIAL REVIEW

The Trustees report net income before gains/losses on investments and disposals for the year of £2,836,799 (2015: £1,477,919) and a net movement in funds during the year of £3,305,956 (2015: £7,906,833).

The Trust maintains reserves for the pursuit of its objects and to cover administrative and management costs. The Trustees have resolved that a level of discretionary reserves held as cash or short-term investments should be maintained at a sufficient level to cover at least 12 months' of average scale grant-making and administrative activity. This would equate to approximately £2m.

The Trust holds a cash balance of £5,770,087 as at the balance sheet date and the Trustees consider this to be sufficient. The Trustees have resolved to make excess reserves available in the form of capital grant awards, subject to the Trust's grant application and monitoring processes.

PLANS FOR FUTURE PERIODS

The Trustees will continue to own and make available to the University by way of lease properties in London for use for academic purposes. The Trustees will also make donations to the University to support its activities and in furtherance of the Trust's charitable objectives.

The Trust does not engage in any active fundraising and derives its income from the leasing of properties and income from investments.

The Trustees will receive regular reports from the Vice Chancellor on the University's progress and on the way in which the funds from the Trust have been applied in supporting its ongoing development.

Approved by the Trustees
and signed on behalf of the Trust



Mr G Cole
Trustee

13 December 2016

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

Under the trust deed of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees have prepared the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material 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 business.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE QUINTIN HOGG TRUST

We have audited the financial statements of The Quintin Hogg Trust for the year ended 31 July 2016 set out on pages 8 to 22. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6 the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2016 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

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' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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.



Fleur Nieboer (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square, Canary Wharf, London E14 5GL

13 December 2016

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 July 2016

	Note	Total Funds 2016 £	Total Funds 2015 £
Income from:			
Charitable activities	3	4,188,037	4,177,386
Investments	4	273,876	72,567
Other	3	400	400
Total		4,462,313	4,250,353
Expenditure on:			
Raising funds	5	40,692	-
Charitable activities	6	1,584,822	2,772,434
Total		1,625,514	2,772,434
Net movement in funds before gains on investments and disposals			
		2,836,799	1,477,919
Gain on disposal of fixed assets		-	6,421,363
Net gain on investments	10	469,157	7,551
Net income and net movement in funds		3,305,956	7,906,833
Reconciliation of Funds			
Total funds brought forward at 1 August 2015		27,977,830	20,070,997
Total funds carried forward at 31 July 2016	13	31,283,786	27,977,830

Note:

All activities relate to continuing operations.

All funds held by The Quintin Hogg Trust are unrestricted funds as defined by the Statement of Recommended Practice "Accounting and reporting by Charities".

Notes on pages 12 to 23 form part of these financial statements

BALANCE SHEET

As at 31 July 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible Assets	8	13,567,732	14,165,006
Investments	9	9,032,074	8,435,059
TOTAL FIXED ASSETS		22,599,806	22,600,065
CURRENT ASSETS			
Debtors	11	60,177	42,186
Cash at bank and in hand		5,770,087	2,408,698
Investments	12	5,000,085	5,000,132
TOTAL CURRENT ASSETS		10,830,349	7,451,016
LIABILITIES			
Creditors falling due within one year	13	(1,019,540)	(487,165)
NET CURRENT ASSETS		9,810,809	6,963,851
TOTAL ASSETS LESS CURRENT LIABILITIES		32,410,615	29,563,916
Creditors : Amount falling due after more than one year	14	(1,126,829)	(1,586,086)
NET ASSETS		31,283,786	27,977,830
THE FUNDS OF THE CHARITY			
Unrestricted income funds		13,826,546	10,520,590
Revaluation Reserve		17,457,240	17,457,240
TOTAL CHARITY FUNDS	15	31,283,786	27,977,830

All funds held by The Quintin Hogg Trust are unrestricted funds as defined by the Statement of Recommended Practice "Accounting and reporting by Charities".

Notes on pages 12 to 23 form part of these financial statements.

These financial statements were approved and signed on behalf of the Board of Trustees on 13 DECEMBER 2016



Mr G Cole
Trustee

Charity Number : 1010404

STATEMENT OF CASH FLOWS**For the year ended 31 July 2016**

	Note	Total Funds 2016 £	Total Funds 2015 £
Net Cash inflow from operating activities	A	3,839,085	2,141,599
Cash flows from investing activities:			
Interest and investment income	238,714	67,892	
Proceeds from sale of property	-	7,037,445	
Purchase of investments	(168,502)	(8,427,891)	
Proceeds from investments redemption	-	12,974	
Interest element of finance leases	(128,851)	(130,703)	
Net cash outflow from investing activities		(58,639)	(1,440,283)
Cash flows from financing activities			
Capital element of lease repayments	(419,057)	(379,866)	
		(419,057)	(379,866)
Change in cash and cash equivalents in the year		3,361,389	321,450
Cash and cash equivalent brought forward		2,408,698	2,087,248
Cash and cash equivalents carried forward		5,770,087	2,408,698

A. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		
Net movement in funds for the year	3,305,956	7,906,833
Interest and investment income receivable	(273,876)	(72,167)
Interest payable	128,851	130,703
Release of capital grants	(400)	(400)
Depreciation and amortisation	597,274	614,387
Gains on investments	(469,157)	(8,687)
Investment management charges	40,692	1,137
(Surplus) on disposal of fixed assets	-	(6,421,363)
(Increase)/decrease in debtors	17,170	7,109
(Decrease)/increase in creditors	492,575	(15,953)
Net cash inflow from operating activities	<u>3,839,085</u>	<u>2,141,599</u>

NOTES TO THE ACCOUNTS for the year ended 31 July 2016

1 TRUST STATUS

The Trust was registered as a charity on 11 April 1990.

2 BASIS OF PREPARATION

The accounts (financial statements) 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 financial statements 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. 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. The most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets. Nevertheless, in the judgement of the Trustees, the Trust's level of unrestricted reserves and low level of non-discretionary expenditure provide adequate assurance that the Trust is able to continue as a going concern over at least 24 months.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by 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) issued on 16 July 2014, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Charities Act 2011, a restatement of comparative items was needed. No restatements were required.

ACCOUNTING POLICIES

Income Tax and Corporation Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2011 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund Accounting

The Charity maintains only unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust.

Income

All incoming resources are accounted for in the period in which the charity is certain it will receive the funds, can accurately measure them and is entitled to receipt.

Expenditure

All expenditure is accounted for on an accruals basis inclusive of any VAT which can not be recovered, and has been classified under headings that aggregate all costs related to the category. Expenditure on Charitable Activities comprises all expenditure directly relating to the objects of the charity and associated support costs.

Financial investments

Current and fixed asset investments are included in the balance sheet at market value.

NOTES TO THE ACCOUNTS**for the year ended 31 July 2016****2 BASIS OF PREPARATION (CONTINUED)****ACCOUNTING POLICIES (CONTINUED)****Tangible fixed assets and depreciation**

Tangible fixed assets are held at cost / deemed cost less accumulated depreciation, less any impairment where applicable.

The long leasehold property at 307-311 Regent Street in which the Trust has a beneficial interest was revalued at 31 July 1995. The basis of valuation was open market value. The other long leasehold properties in which the Trust has a beneficial interest were revalued in 1991. The basis of valuation was open market value. On transition to FRS102 the Trustees have elected to carry leasehold property at deemed cost based on these valuations.

A review for impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying amount of the fixed assets may not be recoverable.

Depreciation is provided on all tangible assets on cost or revalued amounts in equal instalments over the estimated lives of the assets. The rates of depreciation are as follows:

Freehold buildings	2% per year
Leasehold buildings	2% per year
Leasehold improvements	Amortised over the shorter of their useful economic life and the remaining term of the lease by equal instalments
Furniture, fixtures and fittings	20% per year
Plant and machinery	20% per year

Leases

Leases in which the Trust assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Costs in respect of operating leases are charged to the Statement of Financial Activity on a straight-line basis over the lease term.

3 INCOMING RESOURCES

	2016	2015
	£	£
Charitable activities:		
Rent receivable	4,188,037	4,177,386
Other incoming resources:		
Release of capital grant	400	400
	<u>4,188,437</u>	<u>4,177,786</u>

4 INVESTMENT INCOME

	2016	2015
	£	£
Dividends - equities	97,098	423
Interest - fixed interest securities	104,848	-
Interest on cash deposits	71,930	72,144
	<u>273,876</u>	<u>72,567</u>

5 INVESTMENT MANAGEMENT COSTS

	2016	2015
	£	£
Investec Wealth & Investment Limited	40,692	-
	<u>40,692</u>	<u>-</u>

6 ANALYSIS OF CHARITABLE EXPENDITURE

The charity undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

	Grant funded activity	Support and governance costs	Total 2016	Total 2015
	£	£	£	£
Grants provided to University of Westminster	803,454	781,368	1,584,822	2,772,434

SUPPORT AND GOVERNANCE COSTS

SUPPORT COSTS

	2016	2015
	£	£
Interest payable on finance lease	128,851	130,703
Legal and professional fees	49,319	20,262
Rent and rates	1,100	2,200
Other expenditure	613	92
Depreciation	597,274	614,388
	<u>777,157</u>	<u>767,645</u>

GOVERNANCE COSTS

Audit fees	4,211	4,789
	<u>781,368</u>	<u>772,434</u>

The remuneration payable to the external auditors in respect of the audit of these financial statements, exclusive of VAT, was £3,650 (2015: £3,650).

GRANT FUNDING OF ACTIVITIES

This comprises donations to the University of Westminster and related parties of £803,454 (2015: £2,000,000).

Grants payable to	Purpose of Grant	2016	2015
		£	£
University of Westminster	Support the University's educational work	803,454	1,500,000
University of Westminster	The Regent Street Cinema Campaign	-	500,000
		<u>803,454</u>	<u>2,000,000</u>

7 EMOLUMENTS OF TRUSTEES AND EMPLOYEES

During the year, the Trustees did not receive any emoluments (2015:nil). The Trustees were reimbursed travel costs of £60 in connection with their duties as Trustees (2015:nil).

8 TANGIBLE FIXED ASSETS

Cost/valuation	Freehold land	Long leasehold	Improvements to leasehold	Plant and machinery	Fixtures & fittings	Total
	£	£	£	£	£	£
At 1 August 2015	5,145	18,400,000	5,787,585	5,238	202,624	24,400,592
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 July 2016	5,145	18,400,000	5,787,585	5,238	202,624	24,400,592
Depreciation						
At 1 August 2015	-	5,258,281	4,769,443	5,238	202,624	10,235,586
Charge for year	-	365,048	232,226	-	-	597,274
Disposals	-	-	-	-	-	-
At 31 July 2016	-	5,623,329	5,001,669	5,238	202,624	10,832,860
Net Book Value						
At 31 July 2016	5,145	12,776,671	785,916	-	-	13,567,732
At 31 July 2015	5,145	13,141,719	1,018,142	-	-	14,165,006
(i) The net book value at 31 July 2016 represents fixed assets used for:						
Charitable activities						
Provision of properties:						
Academic and administrative	5,145	12,776,671	785,916	-	-	13,567,732
	5,145	12,776,671	785,916	-	-	13,567,732

8 TANGIBLE FIXED ASSETS (CONTINUED)

(ii) The net book value of fixed assets includes the following in respect of assets held under finance leases:

	2016 £	2015 £
Long Leasehold	7,998,508	8,227,037
Improvements to leasehold	785,916	1,018,142
	<u>8,784,424</u>	<u>9,245,179</u>

(iii) The long leasehold property at 307-311 Regent Street was revalued at 31 July 1995 by Messrs Drivers Jonas & Co., Chartered Surveyors. The basis of the valuation was open market value.

The other long leasehold properties in which the Trust holds a beneficial interest were revalued in 1991 by Messrs. Drivers Jonas & Co., Chartered Surveyors. The basis of the valuation was open market value.

The net book value of long leasehold property comprises:

	2016 £	2015 £
Historical cost	384,732	385,173
Valuation	12,391,939	12,756,546
	<u>12,776,671</u>	<u>13,141,719</u>

The depreciation charge attributable to the historical cost of the properties included at valuation is £442 (2015: £471).

At the year end the Trust has long leasehold properties with a net book value of £12,776,671 (2015: £13,141,719) leased to third parties.

(iv) The value of freehold land comprises land that is not depreciated at a valuation of £5,145.

9 FIXED ASSET INVESTMENTS**Movement in fixed asset listed investments**

	2016	2015
	£	£
Market value brought forward at 1 August 2015	8,435,059	-
Add: additions to investments at cost	168,502	8,433,705
Less: Investment management costs	(40,692)	-
Add net gain on revaluation	469,205	1,354
Market value as at 31st July 2016	<u>9,032,074</u>	<u>8,435,059</u>

Net cash released from investments in the year was £nil (2015: nil)

Investments at fair value comprised

	2016	2015
	£	£
Fixed interest securities	2,070,768	873,861
Equities	5,796,291	2,890,627
Alternative assets - property	929,059	798,324
Cash	235,956	3,872,248
	<u>9,032,074</u>	<u>8,435,060</u>

10 GAIN/(LOSS) ON INVESTMENT ASSETS

	2016
	£
Gain on fixed asset investments held by Investec	469,205
Loss on current asset investment shares held with Lloyds	(48)
Net gain on investment assets	<u>469,157</u>

11 DEBTORS

	2016	2015
	£	£
Trade Debtors	-	7,000
Prepayments & accrued income	54,729	19,569
The Quintin Hogg Memorial Fund	5,448	-
University of Westminster	-	15,617
	<u>60,177</u>	<u>42,186</u>

12 CURRENT ASSET INVESTMENTS

	2016	2015
	£	£
Lloyds Banking Group Plc ordinary shares	85	132
Short term cash deposits	5,000,000	5,000,000
	<u>5,000,085</u>	<u>5,000,132</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Finance lease	458,857	419,057
University of Westminster	27,671	-
Other creditors	13,072	12,875
Accruals and deferred income*	519,940	55,233
	<u>1,019,540</u>	<u>487,165</u>

* Includes accrual for grant payable to University of Westminster £468,707 (2015: nil)

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Amounts falling due between one and two years:		
Finance lease	500,526	458,857
Accruals and deferred income	400	400
	<u>500,926</u>	<u>459,257</u>
Amounts falling due between two and five years:		
Finance lease	625,053	1,125,579
Accruals and deferred income	850	1,250
	<u>625,903</u>	<u>1,126,829</u>
Total creditors falling due after more than one year	<u>1,126,829</u>	<u>1,586,086</u>

15 ANALYSIS OF CHARITABLE FUNDS

Analysis of fund movements	Opening funds at 1 August 2015 £	Income £	Expenditure £	Transfers £	Gains and losses £	Closing funds at 31 July 2016 £
Revaluation surplus as at 01 August 2015	17,457,240	-	-	-	-	17,457,240
Unrestricted funds	10,520,590	4,462,313	(1,625,514)		469,157	13,826,546
Balance at 31 July 2016	27,977,830	4,462,313	(1,625,514)	-	469,157	31,283,786
Analysis of charitable funds - previous year	Opening funds at 1 August 2014 £	Income £	Expenditure £	Transfers £	Gains and losses £	Closing funds at 31 July 2015 £
Revaluation surplus	18,295,273	-	-	-	(838,033)	17,457,240
Unrestricted funds	1,775,724	4,250,353	(2,773,571)		7,268,084	10,520,590
Total carried forward - 31 July 2015	20,070,997	4,250,353	(2,773,571)	-	6,430,051	27,977,830

16 FINANCIAL COMMITMENTS**(a) Operating leases**

At 31 July 2016 the Trust was committed to making the following payments during the next year in respect of operating leases:

	Land and buildings 2016 £	Land and buildings 2015 £
Leases which expire : After five years	1,100	2,200
	<u>1,100</u>	<u>2,200</u>

(b) Finance leases

At 31 July 2016 the Trust had annual commitments under finance leases as follows:

	2016 £	2015 £
Repayable within one year	661,801	648,825
Within one to two years	675,037	661,801
Within two to five years	861,520	1,536,557
After more than five years	-	-
	<u>2,198,358</u>	<u>2,847,183</u>
Interest charges allocated to future periods	(613,922)	(843,690)
	<u>1,584,436</u>	<u>2,003,493</u>

Disclosed in the balance sheet as:

Due within one year	458,857	419,057
Within one to two years	500,526	458,857
Within two to five years	625,053	1,125,579
After more than five years	-	-
	<u>1,584,436</u>	<u>2,003,493</u>

The Quintin Hogg Trust has annual commitments under one finance lease, as follows:

In the year ended 31 July 1995, the Trust entered into a lease and leaseback transaction of its Regent Street property and the leasehold improvements thereto with W&G Lease Finance Ltd. The Trust received a lease premium of £5,200,000 which is repayable over 25 years in instalments and increases at an annual rate of 2%. Repayments commenced in December 1994. Interest is currently being charged at the Royal Bank of Scotland plc variable rate.

17 RELATED PARTY TRANSACTIONS

The University of Westminster is considered to be a related party of the Trust, because one of the six Trustees also belonged during the year to the University's Court of Governors. The Quintin Hogg Trust is related to one other separate charitable trust, The Quintin Hogg Memorial Fund. These two Trusts have the same Trustees and therefore common control exists. The material transactions with the University and the Quintin Hogg Memorial Fund during the year are as follows:

	2016	2015
	£	£
Rent received from the University for academic buildings	4,188,037	4,177,386
Donations paid to the University	(803,454)	(2,000,000)
Amounts (owed to)/due from the University of Westminster as at year end	(27,671)	15,617
Amounts due from the Quintin Hogg Memorial Fund	5,448	-
Disclosed within debtors / (creditors) in the accounts	(22,223)	15,617

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 July 2016

	Total Funds 2016 £	Total Funds 2015 £
INCOME FROM:		
Charitable activities - rent receivable	4,188,037	4,177,386
Investment income receivable	273,876	72,567
Release of capital grant	400	400
TOTAL	4,462,313	4,250,353
EXPENDITURE ON:		
Interest payable	128,851	130,703
Investment management costs	40,692	
Bank charges	263	17
Travel expenses	60	35
Postage	66	7
Legal and professional fees	49,319	20,262
Depreciation and amortisation	597,274	614,388
Rent and rates	1,100	2,200
Audit fees	4,211	4,789
Other expenditure	224	33
TOTAL	822,060	772,434
	3,640,253	3,477,919
Expenditure on charitable activities	803,454	2,000,000
Net income for the Year	2,836,799	1,477,919
Gain on disposal of fixed assets	-	6,421,363
Gain on investments	469,157	7,551
Net Movement in Funds	3,305,956	7,906,833

Note:

All activities relate to continuing operations.

All funds held by The Quintin Hogg Trust are unrestricted funds as defined by the Statement of Recommended Practice "Accounting and reporting by Charities".

The above additional information has been prepared from the accounting records of the Trust. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the auditor's report thereon.