

G P S MACPHERSON CHARITABLE TRUST

REPORT AND FINANCIAL STATEMENTS

REGISTERED CHARITY NUMBER: 261045

for the year ended 31 October 2016

G P S MACPHERSON CHARITABLE TRUST

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**G P S MACPHERSON CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT**

FOR THE YEAR ENDED 31 OCTOBER 2016

Reference and Administrative Information

Founder	George Philip Stewart Macpherson
Constitution	Trust Deed - 21 April 1970
Trustees	Ewen Cameron Stewart Macpherson Esq Philip Strone Stewart Macpherson Esq Kleinwort Benson Trustees' Limited (Retired 16 February 2016) Messrs. Hoare Trustees Limited (Appointed 16 February 2016)
Nature of Trust	A registered charity with the Charity Commissioners for England and Wales. Charity number 261045.
Registered Office	Messrs. Hoare Trustees 37 Fleet Street London EC4P 4DQ
Bankers and Investment Custody	C. Hoare & Co. 37 Fleet Street London EC4P 4DQ
Independent Examiner	Kreston Reeves LLP 37 St Margarets Street Canterbury Kent, CT1 2TU
Administrators	Messrs. Hoare Trustees 37 Fleet Street London EC4P 4DQ
Solicitors	Shepherd and Wedderburn LLP 1 Exchange Crescent Conference Square Edinburgh EH3 8UL

Report of the Trustees for the year ended 31st October 2016

The Trustees present their report along with the financial statements of the charity for the year ended 31st October 2016. The financial statements have been prepared in accordance with the accounting policies set out on pages 7 and 8 and comply with the charity's Trust Deed, the Charities Act 2011 and the requirements of the 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 (FRS102) (effective 1 January 2015).

Structure, Governance and Management

The Charity is managed by the Trustees who are appointed under the terms of the Trust Deed, with daily administration being dealt with by the Corporate Trustee, Messrs Hoare Trustees. No fund raising activities are undertaken to support the work of the Charity.

Objectives and activities

The objects of the Charity are to pay or apply the capital or income of the Trust for:

- i) such charitable purposes and in such proportions as the Trustees shall think fit, or
- ii) for the charitable purpose of the body corporate of the Provost and Scholars of the House of the Blessed Mary the Virgin in Oxford, commonly called Oriel College.

Grant making policy

Donations are decided periodically and paid at the Trustees' discretion. Unsolicited appeals are considered as well as causes which have been supported in the past. Only successful applicants are notified of the Trustees' decision. During the year under review the Trustees made three donations totalling £1,050 (2015: three donations totalling £360,000) as detailed in note 4 of the financial statements.

As required by Charities Act 2011 the Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Achievement and Performance

The activities of the Trust remain satisfactory and the objects of the Trust were achieved during the year. All the funds of the Trust are considered to form part of one Unrestricted Fund, which may be used in general furtherance of the Trust's objects. The Trustees are satisfied that the Trust's assets are available and adequate to fulfil the obligations of the Trust.

Financial Review

Total unrestricted income during the year amounted to £139,005 (2015: £369,132). Total unrestricted expenditure, including grants, amounted to £5,832 (2015: £363,300). The net inflow of funds amounted to £148,996 (2015: inflow of £3,366). The financial statements for the year are set out on pages 5 to 11.

The Trustees are satisfied with the financial position of the Charity and that they have sufficient assets available to fulfil their obligations.

Related Parties

The Charity does not have a relationship with any other charity or charitable organisations.

Risk Management

The Trustees have considered what risks the charity faces and believe these to be fraud or poor investment performance. Adequate systems are in place to mitigate fraud and investment performance is regularly monitored.

Investment Policy and Performance

The Trustees may use their absolute discretion to invest the funds of the Charity as they think fit. The investment strategy is overseen by the Trustee, Mr Ewen Macpherson, whose performance is benchmarked against the targets as per the Trust's Investment Policy Statement. The overall investment strategy is to achieve long term capital growth in real terms.

G P S MACPHERSON CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT cont'd.

G P S MACPHERSON CHARITABLE TRUST

Reserves Policy

It is the Trustees' intention to maintain an unrestricted fund at least equivalent to the historic cost of investments together with a small cash balance of income, to enable them to respond quickly to appeals requiring more significant support where appropriate, the timing of which is unpredictable. The charity held unrestricted reserves of £199,562 at 31 October 2016 which represents free reserves.

Future Plans

The intention of the Trustees is to continue with the present policy with regard to investments and donations.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and accounting standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs that the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for the period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue operating.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity to ensure compliance with the Charities Act 2011. The Trustees are also responsible for the safeguarding of the assets of the charity and for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Approved by the Trustees on:

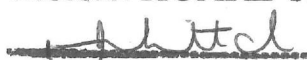
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Date

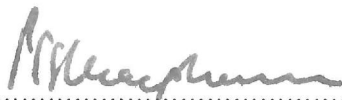


.....
Ewen Cameron Stewart Macpherson Esq

Messrs. HOARE TRUSTEES

 AUTHORIZED
SIGNATORY

.....
Messrs. Hoare Trustees



.....
Philip Strone Stewart Macpherson Esq

G P S MACPHERSON CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the G P S Macpherson Charitable Trust

I report on the accounts of the charity for the year ended 31 October 2016 which are set out on pages 5 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.


Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare the accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Samantha Rouse FCCA DChA
Chartered Certified Accountant
Date 26 MAY 2017

KRESTON REEVES LLP
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

G P S MACPHERSON CHARITABLE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2016**

Income and Expenditure	Notes	Unrestricted Funds		Unrestricted Funds		Total Funds 2015 £
		Income £	Expendable Endowment £	Total Funds 2016 £	Income £	Expendable Endowment £
INCOME						
Donations:-						
Gift Aid donation		125,000.00	-	125,000.00	125,000.00	-
Gift of JP Morgan shares		-	-	0.00	227,025.18	-
Investment income	3	14,005.01	-	14,005.01	17,106.47	-
TOTAL INCOME		139,005.01	-	139,005.01	369,131.65	-
EXPENDITURE						
Costs of raising funds						
Custody fees		-	131.58	131.58	-	-
Charitable activities	4	5,701.22	-	5,701.22	363,300.00	-
TOTAL EXPENDITURE		5,701.22	131.58	5,832.80	363,300.00	-
NET OPERATING INCOME/(EXPENDITURE)		133,303.79	(131.58)	133,172.21	5,831.65	-
OTHER RECOGNISED PROFIT/(LOSSES)						
Gain/(Loss) on Investments		-	15,824.28	15,824.28	-	(2,465.81)
NET INCOME/(EXPENDITURE)		133,303.79	15,692.70	148,996.49	5,831.65	(2,465.81)
RECONCILIATION OF FUNDS						
Total funds brought forward		66,257.89	401,711.79	467,969.68	60,426.24	404,177.60
BALANCES CARRIED FORWARD		199,561.68	417,404.49	616,966.17	66,257.89	401,711.79


All amounts relate to continuing activities. All recognised gains and losses are included in the Statement of Financial Activities.

G P S MACPHERSON CHARITABLE TRUST

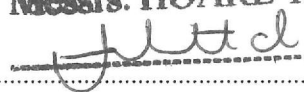
BALANCE SHEET AS AT 31 OCTOBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Investments	6	417,404.49	401,711.79
CURRENT ASSETS			
Cash at Bank		175,161.68	66,377.89
Debtors	7	25,000.00	1,830.00
		200,161.68	68,207.89
CURRENT LIABILITIES			
Creditors - falling due within one year	8	600.00	1,950.00
NET CURRENT ASSETS		199,561.68	66,257.89
NET ASSETS		616,966.17	467,969.68
CAPITAL FUND			
Expendable Endowment		417,404.49	401,711.79
INCOME FUND			
Unrestricted Fund	9	199,561.68	66,257.89
		616,966.17	467,969.68

Approved by the Trustees and authorised for issue on:


Ewen Camerson Stewart Macpherson Esq


Philip Strong Stewart Macpherson Esq

Messrs. HOARE TRUSTEES
 AUTHORISED
SIGNATORY
Messrs. Hoare Trustees

26/05/17
Date

1 ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity.

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 November 2014 and the last accounts prepared under the previous financial reporting framework were prepared for the year ended 31 October 2015. An explanation and reconciliation of how the transition has affected the reported financial position and financial performance is provided in note 10 to the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Fund Structure

Income funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Capital funds comprise expendable endowments, where there is no requirement to spend the capital unless, or until, the Trustees decide to do so. These funds are invested to produce unrestricted income which can be spent in accordance with the charitable objectives.

Investment income, gains and losses are allocated to the appropriate fund.

(c) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has been or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to different categories of income:

Grants and Donations Receivable

Grants and Donations are recognised in the SOFA when conditions for receipt have been complied with.

Investment Income

Interest receivable on deposit and securities is accounted for as it accrues. Dividend income receivable on securities is accounted for when received by the investment manager.

(d) Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Costs of Generating Funds

The costs of generating funds consist of investment management and certain legal fees.

Charitable Activities

Donations payable are recognised when they are approved by the trustees and the recipient of the grant has been informed of the amount to be paid.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2016

1 ACCOUNTING POLICIES (continued)

Governance Costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit fees together with support costs.

(e) Fixed Assets

Investments are stated at market value at the Balance Sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

(f) Realised and Unrealised Gains and Losses

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(g) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The charity therefore continues to adopt the going concern basis in preparing its financial statements.

(h) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments 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 charity only has financial liabilities of a kind that qualify as basic financial instruments.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

(j) Key Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

2 TRUSTEES' REMUNERATION

Kleinwort Benson Trustees Limited received a fee of £218.41 (2015: £2,700.00) for its services as Corporate Trustee.

Messrs. Hoare Trustees received a fee of £2,392.81 (2015: £nil) for its services as Corporate Trustee.

No other trustees received remuneration during the year or received expenses.

3 INVESTMENT INCOME	2016 £	2015 £
Income from UK quoted securities	11,978.21	15,079.48
Income from overseas securities	1,701.00	1,627.50
Deposit interest received	325.80	399.49
	<u>14,005.01</u>	<u>17,106.47</u>

4 CHARITABLE ACTIVITIES	2016 £	2015 £
Grants made	1,050.00	360,000.00
Support costs		
Governance costs (note 5)	4,651.22	3,300.00
	<u>5,701.22</u>	<u>363,300.00</u>

The grants made comprised the following:

Advancement of education	-	350,000.00
Queens' College, University of Cambridge	-	350,000.00
Advancement of health or the saving of lives	750.00	10,000.00
PACE (2)	-	10,000.00
SpecialEffect	500.00	-
SANDS	250.00	-
Advancement of arts, culture, heritage or science	300.00	-
Winchester Cathedral Appeal	300.00	-

5 OTHER EXPENSES	2016 £	2015 £
Governance Costs:		
Kleinwort Benson Trustees Limited fees	218.41	2,700.00
Messrs. Hoare Trustees fees	2,392.81	-
Legal fees	1,440.00	-
Independent Examiner's fees	600.00	600.00
	<u>4,651.22</u>	<u>3,300.00</u>

G P S MACPHERSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2016

6 INVESTMENTS QUOTED ON A RECOGNISED STOCK EXCHANGE

	2016 £	2015 £
Listed investments		
Market Value Brought Forward	400,427.72	402,893.53
Additions at cost	-	227,025.18
Less Disposal proceeds	-	(227,025.18)
Realised gains/(loss) on disposals	-	-
Profit/(losses) on revaluation	15,824.28	(2,465.81)
Market Value Carried Forward	416,252.00	400,427.72
Cash held by C. Hoare & Co.	1,152.49	1,284.07
Total Investments at 31 October 2016	417,404.49	401,711.79

Investments comprising greater than 5% of the portfolio

	2016 %	2015 %
Alliance Trust ord 2.5p	19.88	17.61
Brunner Investment Company ord 25p	17.24	16.25
City of London Investment Trust ord 25p	9.50	9.62
Keystone Investment Trust ord 50p	11.65	13.09
Merchants Trust ord 25p	24.20	26.36
Schroder Oriental Income Fund ord 1p	11.91	9.73

7 DEBTORS

	2016 £	2015 £
Uncleared investment income	-	1,830.00
HM Revenue & Customs - Gift Aid	25,000.00	-
	25,000.00	1,830.00

8 CREDITORS

- amounts falling due within one year

	2016 £	2015 £
Independent Examiner's fee	600.00	600.00
Kleinwort Benson Trustees Limited fees	-	1,350.00
	600.00	1,950.00

G P S MACPHERSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

9 UNRESTRICTED FUNDS

The income funds of the charity will be designated by the Trustees towards charities and charitable activities, as set out in the Trustees' Report attached to these accounts. Unrestricted funds are represented by the current liabilities of the Charity.

10 TRANSITION TO FRS 102

This is the first year that the Charity has prepared its financial statements under FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 31 October 2015 and the date of transition to FRS 102 was 1 November 2014.

There has been no effect on the charity's net income for the financial year ended 31 October 2016 nor on its total funds at 31 October 2015 and 31 October 2016.

Other Adjustments arising on transition to FRS 102

The following adjustments have also been made in order to comply with the new SORP/ FRS 102 which have had no effect on total funds or the income and expenditure account but which have affected the presentation of certain items in the statement of financial activities. The main items were:

- i) Governance costs are no longer presented as a separate category of expenditure in the Statement of Financial Activities. They are now regarded as part of support costs which are allocated to the cost of activities undertaken by the Charity.