

**THE HADLEY TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2017**

Charity Number 1064823

**THE HADLEY TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017**

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**THE HADLEY TRUST
TRUSTEES AND PROFESSIONAL ADVISERS**

The Trustees

P. W. Hulme
J. Hulme
S. A. Swift
T. W. Hulme
J. V. Love
K. E. Prideaux

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
Wickham House
464 Lincoln Road
Enfield, EN3 4AH

Bankers

Standard Chartered Bank
P.O. Box 33244,
54 Jermyn Street,
London, SW1Y 6WL

Solicitors

Linklaters
One Silk Street
London
EC2Y 8HQ

Investment Advisers

Goldman Sachs International
Peterborough Court
133 Fleet Street
London
EC4A 2BB

**THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2017**

The trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 31st March 2017.

CONSTITUTION AND OBJECTS

The Hadley Trust is constituted by Trust Deed dated the 29th September 1997. It is a grant making charity. Its objects are primarily, but not exclusively, to assist in creating opportunities for people who are disadvantaged as a result of environmental, educational or economic circumstances, or physical or other handicap, to improve their situation, either by direct financial assistance, 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, and their work is described below. 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 activity 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 76 organisations received grants totalling £3,318,673. This compares with 79 organisations and a total of £3,242,894 in 2015/16.

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FOR THE YEAR ENDED 31ST MARCH 2017

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	39.1%	(38.3%)
Hospices	18.1%	(2.6%)
Young people	12.1%	(17.1%)
Social Investment	9.6%	(9.2%)
Medical	7.0%	(5.2%)
Disabilities	4.3%	(13.3%)
Welfare reform	4.2%	(3.9%)
Local	3.4%	(7.2%)
International	2.2%	(3.2%)

In general, the trust's overall focus has not changed since 2015/16. Most of the movements can be attributed to significant donations for one-off projects. The decrease in donations to Disabilities charities follows a large one-off donation to the London Centre for Children with Cerebral Palsy in 2015/16. The increase in donations to Hospices is attributable to a large donation to Noah's Ark which is described below.

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, Centre for Crime and Justice Studies, Prisoners' Advice Service, Criminal Justice Alliance, Prisoners' Education Trust and Transform Justice. It also funded think tanks, such as Policy Exchange, to carry out research into crime and justice policy issues. In the next section of the report we discuss our involvement with the largest recipients of our funding which provides more insight into our work in this area.

The primary focus of the trust's work with young people has been young people in care. This includes support for the Hadley Centre for Adoption and Fostering at Bristol University (which the trust helped to set up in 2000) and funding for service provision and policy work by Coram Voice (which provides advocacy services for young people in care). In 2016/17 work continued on the Bright Spots project, a major joint initiative with the Hadley Centre and Coram Voice, which began in 2013/14. We return to Bright Spots in the next section. In 2016 the trust also continued to work with Youthscape, a Luton based charity for young people, providing funding to help them to complete their new premises and funding projects to help children in care prepare for independence.

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 is included below.

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

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TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2017**

years from 2010, opening a new charity shop in 2012 and a project to facilitate the development of a new centre.

Historically Noah's Ark has predominantly been an outreach service, using trained volunteers with professional support. As the next stage in its development, it plans to open a new centre to provide support services, respite care and accommodation, thus further developing the support it provides to the children and their families.

In 2016/17 the Hadley Trust made a donation of £500,000 to Noah's Ark to enable the commencement of building work on the new centre. Another donation will be made for the same purpose in 2017/18.

The Centre for Justice Innovation

A few 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.

A very important strand of our programme of work with CJI is Better Courts: Cutting Crime through Court Innovation. This aims to understand the barriers to delivering problem-solving justice in the UK, to develop a strategy to overcome those barriers, to build an evidence base of problem-solving success stories and to inspire a new generation of problem-solving innovations adapted and suited to the UK criminal justice system.

With this expertise, the CJI was able to provide support to Michael Gove's working group looking at setting up pilot problem-solving courts in England. However, during this reporting period the Lord Chancellorship passed to Liz Truss and the pilots were put on hold and subsequently cancelled. The CJI is now concentrating on problem-solving courts which are already running in England, and working to support exciting developments in Scotland and Northern Ireland.

In support of Better Courts, the team has continued its work with the community courts in Plymouth and Cornwall. For a time, Plymouth was the only surviving second-generation community court and it is important to understand how it successfully adapted to a changing environment. The trust is providing financial support to ensure the problem-solving capability continues and develops whilst simultaneously implementing proper measurement and evaluation mechanisms.

CJI helped to set up a similar service in the magistrates' court in Highbury in North London which has now been running for two years. This initiative has performed well and the CJI team have developed a toolkit to help other magistrates' courts to develop their own advice service.

CJI has been working for some time on a programme looking at practices used at the local level to divert young people who are guilty of low-level offending away from the

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TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2017**

formal criminal justice system. The team have been working closely with Youth Offending Teams to explore the range of interventions they employ. The aim is to understand why differences occur and to spread learning and good practice. In 2016 the team published updated guidance to help Youth Offending Teams make an economic and research-based case for point of arrest diversion schemes to local commissioners. This has been well received.

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 changing political environment and Policy Exchange's own mix of expertise. In the past, work on welfare reform and criminal justice has been at the core of our joint programme. More recently we have shifted the bulk of our joint efforts to address the challenges and opportunities presented by Brexit. A series of publications on these issues will follow in the coming months.

In the year in question the trust also funded research into the attitudes and concerns of our Muslim population to help to inform the government's efforts to combat radicalisation.

Coram Voice and the Hadley Centre

Since 1998 the trust has been contributing to Voice's core costs to enable them to provide professional advocacy services to young people in the care of the state. The trust has also helped to fund Voice's policy work.

Coram Voice and the Hadley Centre in Bristol are now working together on the Bright Spots project which is a substantial multi-year programme modelled on the Out of Trouble programme at Prison Reform Trust. The first phase of work involves understanding what constitutes a good care journey in order to identify and then help to disseminate good practice. To do this the partners are working with local authorities and the young people themselves and have developed a questionnaire for young people which is currently being rolled out across a number of local authorities.

Prison Reform Trust

The Hadley Trust is the principle funder of the Prison Reform Trust's Advice and Information Service. Each year the service provides support to over 5000 prisoners and their families. The information gathered by the service provides an important input to PRT's policy and lobbying activity. Because of the strong link between the advice and information service and policy development the Hadley Trust also supports PRT's policy work directly.

The trust also funds an ex-offender working in the Advice and Information Service on an intern basis.

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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 done under the umbrella of Reform. During 2016 Crest wrote a report looking at how criminal justice might be localised in practice. This was carried out in conjunction with GovernUp. The latter study was followed up with practical work helping individual police and crime commissioners with their devolution plans.

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. The trust asked Crest to work on a new piece of work called "A New Vision for the Criminal Justice System". The aim of this is to build an illustrative model of the flows of people through the criminal justice system and, in turn, to find ways to reform offenders early in their lives, before they end up in prison. This work is ongoing. A subsequent phase has been a report looking at community sentences and, in particular, why their use has been in decline.

Work has also started on a 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.

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 roughly £1 million 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 2016/17 the total value of the trust's holdings increased by £2.3 million to £150 million which is an increase of 1.6%. £0.7 million of this was the result of a further donation by the settlor so the underlying increase, after all expenditure including

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FOR THE YEAR ENDED 31ST MARCH 2017**

charitable donations, was 1.1% (compared to 6.4% in 2015/16). These are net increases, after charitable donations and other outgoings.

The rate of return on the component of the portfolio managed by Goldman Sachs was 13.4% (0.2% in 2015/16).

The trustees are satisfied with the overall financial performance but it is important to bear in mind that investment returns fluctuate from year to year.

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 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 April 2017, 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 2016/17.

P.W. Hulme
J. Hulme
S.A. Swift
T.W. Hulme
J.V. Love
K.E. Prideaux

**THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2017**

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 trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence 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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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 actual conflicts of interest as well as the perception of 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 HADLEY TRUST
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2017

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 accounts have been properly prepared in accordance with UK Generally Accepted Accounting Practice ("UK GAAP") (including Charities SORP FRS 102) : 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)).

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

dated: 10.11.17

A handwritten signature in dark ink, appearing to read 'P W Hulme', written in a cursive style.

P. W. Hulme
Trustee

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE HADLEY TRUST
FOR THE YEAR ENDED 31ST MARCH 2017**

We have audited the financial statements of The Hadley Trust for the year ended 31st March 2017 which comprise the Statement of Financial Activities, the Statement of Financial Position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including 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 154 of the Charities Act 2011. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

The responsibilities of the trustees for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 8.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. 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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs at 31st March 2017 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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF
THE HADLEY TRUST (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2017**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



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 28th November, 2017

THE HADLEY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2017

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds Year to 2017 £	Total Funds Year to 2016 £
INCOME AND ENDOWMENTS					
Donations and legacies	4	-	747,000	747,000	4,013,500
Investments	5	2,718,792	-	2,718,792	2,199,870
Other income	6	3,036		3,036	-
TOTAL INCOME		2,721,828	747,000	3,468,828	6,213,370
EXPENDITURE					
Expenditure on raising funds:					
Investment management costs	7	(258,894)	-	(258,894)	(265,019)
Expenditure on charitable activities	8/9	(3,544,244)	-	(3,544,244)	(3,467,498)
TOTAL EXPENDITURE		(3,803,138)	-	(3,803,138)	(3,732,517)
Net gains on investments			2,486,855	2,486,855	4,650,734
Net income		(1,081,310)	3,233,855	2,152,545	7,131,587
Transfer between funds	13	1,081,310	(1,081,310)	-	-
		-	2,152,545	2,152,545	7,131,587
OTHER RECOGNISED GAINS AND LOSSES					
(Losses)/gains on revaluation of fixed assets		-	186,412	186,412	5,548,072
NET MOVEMENT IN FUNDS		-	2,338,957	2,338,957	12,679,659
RECONCILIATION OF FUNDS					
Total Funds brought forward		-	147,656,954	147,656,954	134,977,295
TOTAL FUNDS CARRIED FORWARD		-	149,995,911	149,995,911	147,656,954

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.

All of the above amounts relate to continuing activities.

The notes on pages 14 to 19 form part of these financial statements.

THE HADLEY TRUST
STATEMENT OF FINANCIAL POSITION
31ST MARCH 2017

		2017	2016
	Note	£	£
FIXED ASSETS			
Tangible assets	15	27,027	17,657
Investments	16	<u>148,566,117</u>	<u>146,731,015</u>
		148,593,144	146,748,672
CURRENT ASSETS			
Debtors	17	44,885	39,885
Cash at bank		<u>1,398,232</u>	<u>914,648</u>
		1,443,117	954,533
CREDITORS: Amounts falling due within one year	18	<u>(40,350)</u>	<u>(46,251)</u>
NET CURRENT ASSETS		<u>1,402,767</u>	<u>908,282</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>149,995,911</u>	<u>147,656,954</u>
NET ASSETS		<u><u>149,995,911</u></u>	<u><u>147,656,954</u></u>
FUNDS OF THE CHARITY			
Endowment funds	19	<u>149,995,911</u>	<u>147,656,954</u>
TOTAL CHARITY FUNDS		<u><u>149,995,911</u></u>	<u><u>147,656,954</u></u>

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

dated: 10.11.17



P.W. Hulme
Trustee

The notes on pages 14 to 19 form part of these accounts

THE HADLEY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017**

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 2017

4. DONATIONS AND LEGACIES	2017	2016
	£	£
Other voluntary income	747,000	4,013,500
5. INVESTMENT INCOME	2017	2016
	£	£
Income from investment properties	54,011	55,141
Income from listed investments	2,654,095	2,120,421
Income from cash investments	5,686	19,308
Income from other investments	5,000	5,000
	2,718,792	2,199,870
6. OTHER INCOME	2017	2016
	£	£
Gains on disposal of tangible fixed assets held for charity's own use	3,036	-
7. INVESTMENT MANAGEMENT COSTS	2017	2016
	£	£
Portfolio management	200,036	204,444
Rent collection and investment property management	7,868	7,091
Property repairs and maintenance charges	50,990	53,484
	258,894	265,019

8. 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 2017	Total Funds Year to 2016
	£	£	£	£	£
Crime and Justice	1,300,029	37,525	50,674	1,337,554	1,328,285
Hospices	600,000	17,371	23,458	617,371	91,839
Young People	402,131	11,612	15,681	413,743	592,457
Social investment	317,210	9,213	12,442	326,423	318,079
Medical	231,853	6,718	9,072	238,571	181,179
Disabilities	141,500	4,126	5,573	145,626	460,372
Welfare Reform	139,900	4,030	5,443	143,930	134,760
Local	112,050	3,263	4,406	115,313	249,340
International	74,000	2,113	2,851	76,113	111,187
	3,318,673	95,971	129,600	3,544,244	3,467,498

9. SUPPORT COSTS

The breakdown of support costs attributable to charitable activities is:

	2017	2016
	£	£
Staff salaries & NI	84,661	86,287
Depreciation	8,386	8,194
Motor vehicle expenses	709	1,162
Office	290	280
Travel	1,925	2,681
Governance costs - Audit & accountancy	129,600	126,000
	225,571	224,604

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

10. STAFF COSTS AND EMOLUMENTS

	2017 £	2016 £
The aggregate payroll costs were:		
Wages and salaries	79,000	79,000
Social security costs	5,661	7,287
	<u>84,661</u>	<u>86,287</u>

Particulars of employees:

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

	2017 No.	2016 No.
Administration	<u>2</u>	<u>2</u>

No employee received emoluments of more than £60,000 during the year (2016 - Nil).

11. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No remuneration was paid to trustees in the year (2016 - Nil), nor were any trustees' expenses reimbursed (2016 - Nil).

No trustee had any personal interest in any contract or transaction entered into by the charity during the year (2016 - Nil).

12. NET INCOME

	2017 £	2016 £
This is stated after charging:		
Depreciation	8,386	8,194
Auditors remuneration:		
- audit of the financial statements	<u>3,300</u>	<u>3,300</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 £1,081,310 (2016 - £1,532,647) expendable endowed capital into income.

14. NET GAINS ON INVESTMENTS

	2017 £	2016 £
Losses on cash held for investment purposes	(2,144,916)	(1,282,001)
Gains on listed investments	1,849,944	1,179,749
Gains on other investments	2,781,827	4,752,986
	<u>2,486,855</u>	<u>4,650,734</u>

THE HADLEY TRUST
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FOR THE YEAR ENDED 31ST MARCH 2017

15. TANGIBLE FIXED ASSETS

	Office Furniture	Equipment £	Motor Vehicle £	Total £
COST				
At 1st April 2016	14,831	753	23,876	39,460
Additions	-	-	24,720	24,720
Disposals	-	-	(23,876)	(23,876)
At 31st March 2017	<u>14,831</u>	<u>753</u>	<u>24,720</u>	<u>40,304</u>
DEPRECIATION				
At 1st April 2016	4,635	753	16,415	21,803
Charge for the period	2,224	-	6,162	8,386
Disposals	-	-	(16,912)	(16,912)
At 31st March 2017	<u>6,859</u>	<u>753</u>	<u>5,665</u>	<u>13,277</u>
NET BOOK VALUE				
At 31st March 2017	<u>7,972</u>	<u>-</u>	<u>19,055</u>	<u>27,027</u>
At 31st March 2016	<u>10,196</u>	<u>-</u>	<u>7,461</u>	<u>17,657</u>

16. INVESTMENTS

	Cash or Cash Equivalents £	Listed Investments £	Investment Properties £	Other Investments £	Total £
Cost or valuation					
At 1st April 2016	3,964,327	119,160,703	2,780,000	20,825,984	146,731,014
Additions	6,557,732	4,876,299	-	3,339,432	14,773,463
Disposals	(7,868,492)	(3,559,986)	-	(1,696,294)	(13,124,772)
Revaluations	26,749	(2,453,460)	290,000	2,323,123	186,412
At 31st March 2017	<u>2,680,316</u>	<u>118,023,556</u>	<u>3,070,000</u>	<u>24,792,245</u>	<u>148,566,117</u>
Impairment					
At 1st April 2016 and 31st March 2017				-	-
Carrying amount					
At 31st March 2017	<u>2,680,316</u>	<u>118,023,556</u>	<u>3,070,000</u>	<u>24,792,245</u>	<u>148,566,117</u>
At 31st March 2016	<u>3,964,327</u>	<u>119,160,703</u>	<u>2,780,000</u>	<u>20,825,984</u>	<u>146,731,014</u>

The trustees consider that the following individual investments requires disclosure:

Listed Investments

Computacenter plc 7,001,349 ordinary shares £52,195,057 (2016 - 6,901,349 ordinary shares £57,971,331).

These shares are listed on the London Stock Exchange and are valued at mid-price at the close of business on 31st March 2017. 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
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16. INVESTMENTS *(continued)***Other investments**

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

17. DEBTORS

	2017	2016
	£	£
Other debtors	<u>44,885</u>	<u>39,885</u>

18. CREDITORS: Amounts falling due within one year:

	2017	2016
	£	£
Taxation and social security	-	3,105
Accruals	<u>40,350</u>	<u>43,146</u>
	<u>40,350</u>	<u>46,251</u>

19. ENDOWMENT FUNDS

	Balance at 1.4.16	Incoming Resources inc. gains	Balance at 31.3.17
	£	£	£
Expendable endowment	<u>147,656,954</u>	<u>2,338,957</u>	<u>149,995,911</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.