

THE MARGARET FISHER CHARITABLE TRUST

ANNUAL REPORT AND ACCOUNTS

16TH MAY 2018

PAYNE HICKS BEACH

Solicitors
10 New Square
Lincoln's Inn
London WC2A 3QG

THE MARGARET FISHER CHARITABLE TRUST

CONTENTS

Reports

- | | |
|--------|---|
| 1 | Administrative information about the charity, its trustees and advisers |
| 2 - 8 | Trustees' report |
| 9 - 11 | Independent auditor's report |

Accounts

- | | |
|---------|-----------------------------------|
| 12 | Statement of financial activities |
| 13 | Balance sheet |
| 14 - 16 | Principal accounting policies |
| 17 - 21 | Notes to the accounts |

Appendix

- | | |
|----|----------------|
| 22 | Grants payable |
|----|----------------|

ADMINISTRATIVE INFORMATION ABOUT THE CHARITY, ITS TRUSTEES AND ADVISERS

<u>TRUSTEES</u>	:	Mrs. Josephine Jane Passmore Payne Hicks Beach Trust Corporation Limited Lisette Teasdale Charlotte Boulton
<u>PRINCIPAL ADDRESS</u>	:	10 New Square Lincoln's Inn London WC2A 3QG
<u>CHARITY REGISTRATION NUMBER</u>	:	286256
<u>AUDITOR</u>	:	Buzzacott LLP 130 Wood Street London EC2V 6DL
<u>INVESTMENT MANAGERS</u>	:	Investec Wealth & Investment Management Limited 2 Gresham Street London EC2V 7QP
<u>BANKERS</u>	:	Investec Wealth & Investment Management Limited 2 Gresham Street London EC2V 7QP
<u>SOLICITORS AND ADMINISTRATORS</u>	:	Payne Hicks Beach 10 New Square Lincoln's Inn London WC2A 3QG

TRUSTEES' REPORT - 16TH MAY 2018

The trustees present their statutory report together with the accounts of The Margaret Fisher Charitable Trust for the year ended 16th May 2018.

The accounts have been prepared in accordance with the accounting policies set out on pages 14 to 16 of the attached accounts and comply with the Charity's trust deed, applicable laws, accounting standards (United Kingdom Generally Accepted Accounting Practice), and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1st January 2015 or later and Update Bulletin 1.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The Margaret Fisher Charitable Trust is governed by a trust deed dated 17th May 1982. The charity is registered under the Charities Act 2011, Charity Registration Number 286256.

The Settlor, Margaret Fisher, originally transferred £10 cash to the trustees.

The Settlor died on 13th December 2004 and by her Will dated 25th June 2004 bequeathed the residue of her Estate to the charity. The Executors vested in the charity the Settlor's investment portfolio at its probate value of £1,028,795. The balance of the Settlor's residuary estate of £671,816 was received and subsequently has also been invested.

The statutory power of appointment of new trustees lies with the trustees themselves.

The names of the trustees who served during the year are set out as part of the administrative information on page 1 of this Annual Report and Accounts. Brief biographical details are given below:

Mrs. Josephine Jane Passmore (formerly Gisborne)

Mrs. Passmore has been a trustee since inception. She was for many years Chairman of Tunbridge Wells & District Council for Voluntary Service and was also involved with the Management of the Citizens Advice Bureau in Tunbridge Wells.

Mrs. Lisette Teasdale

Mrs. Lisette Teasdale was appointed on 19th January 2012. Lisette is the daughter of Mrs. Josephine Jane Passmore. She has worked in a professional capacity throughout her career in marketing and fundraising for charities.

Mrs. Charlotte Boulton

Mrs. Charlotte Boulton was appointed on 19th January 2012. Charlotte is the daughter of Mrs. Josephine Jane Passmore. She has worked in marketing including contact with various voluntary charitable organisations.

Payne Hicks Beach Trust Corporation Limited

Payne Hicks Beach Trust Corporation Limited (PHBTCL) were appointed on 19th January 2012. PHBTCL is a trust corporation within the meaning of The Trustee Act 1925. All Directors are practising solicitors and partners of Payne Hicks Beach.

On agreeing to their appointment, the trustees are thoroughly briefed by their co-trustees on the history of the trust, the day-to-day management, the responsibilities of the trustees, the current objectives and future plans.

TRUSTEES' REPORT - 16TH MAY 2018**GOVERNANCE, STRUCTURE AND MANAGEMENT (Continued)****Trustees' responsibilities statement**

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

Charity law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity at the year end and of its income and expenditure during the year. In preparing accounts giving a true and fair view, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in 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 United Kingdom and Republic of Ireland (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. 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.

Structure and management reporting

The trustees are ultimately responsible for the policies, activities and assets of the charity. They review the developments with regard to the charity, its grant giving activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including investment managers, solicitors and accountants. The day to day management of the charity's activities, and the implementation of policies, is delegated to the Private Client Department of Payne Hicks Beach. The trustees will deal directly with the process of future grant applications whilst Payne Hicks Beach administers payments and keeps the books and records of the charity.

The trustees review the investment performance with the investment managers who update the trustees in detail on the portfolio. The trustees review the proposals for grants to be made and approve such grants as appropriate.

TRUSTEES' REPORT - 16TH MAY 2018**GOVERNANCE, STRUCTURE AND MANAGEMENT (Continued)****Risk management**

In line with the requirement for charity trustees to undertake a risk assessment exercise and report on the same in their annual report, the trustees have looked at the risks The Margaret Fisher Charitable Trust currently faces and have reviewed the safeguards in place, or needing to be put in place, to deal with them. The trustees have identified three main areas where risks may occur:

- Governance
- Operational
- Financial

Governance looks at the continuity of trusteeship, the skills and background of the trustees and the policies of regular meetings of the trustees to review their aims and activities.

Operational looks at the risk inherent in the delegation of statutory and legal requirements of the charity, its management and secretarial functions and delegation of certain of those functions, and its grant giving activities.

Financial risks include those inherent in delegation of investment management and custody to an independent investment manager, the financial record keeping of the charity, its investment policy, audit and review procedures.

Having assessed the major risks to which the charity is exposed, in particular those relating to its investments and its finances, the trustees believe that by ensuring controls exist over key financial systems incorporating the systems and controls implemented by Payne Hicks Beach, and by delegating the investment management function to investment managers, subject to regular monitoring, including periodic reviews of performance against benchmarks, they have established effective systems to mitigate those risks.

The keys risks faced by the charity, as identified by the trustees, are described below together with the principal ways in which they are mitigated.

The charity's principal asset comprises listed investments, the value of which is dependent on movements in UK and world stock markets. The investments are managed by reputable investment managers who adhere to a policy agreed by the trustees. The trustees meet once a year with the investment managers and the manager's performance and that of the portfolio are monitored. The investment strategy is assessed regularly to ensure it remains appropriate to the charity's needs - both now and in the future.

The charity carries out its objectives by providing grants to institutions that are also UK registered charities, whose objects comply with the charity's criteria. There is a risk that a grant provided by the charity may not reach the intended recipient and/or may be used for purposes not consistent with the charity's objects. Whilst the trustees are mindful of their own obligation to ensure that the charity benefits the public generally, they take some assurance from the fact that recipients of grants are themselves regulated to ensure that they operate for the public benefit.

The risk assessment is kept under regular review and is fully reassessed every three years.

TRUSTEES' REPORT - 16TH MAY 2018

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Activities and specific objectives

The stated object of the charity in its Deed of Trust is to provide for the benefit of the elderly and disabled specifically in the Shaftesbury area in Dorset but primarily for the benefit of the Margaret Fisher House and such other charitable object or institution as the trustees in their absolute discretion think fit.

The trustees operate a grant giving policy, providing funds for such charitable object or institution as the trustees think fit.

Applications to the charity for donations will only be considered if received in writing from HM Revenue & Customs recognised UK Charities, accompanied by a set of the latest report and accounts. The trustees do not make donations to individuals.

Applications should be submitted to:

The Margaret Fisher Charitable Trust
10 New Square
Lincoln's Inn
London WC2A 3QG

The trustees have yet to decide on the level of their annual grants.

Objectives and activities for the public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Trust carries out these objectives by providing grants to institutions that are also UK registered charities, whose objects comply with the Trust's criteria. Whilst the trustees are mindful of their own obligation to ensure that the Trust benefits the public generally, they take some assurance from the fact that recipients of grants are themselves regulated to ensure that they operate for the public benefit.

Potential recipients of grants are identified by the trustees individually in areas where it is perceived that public benefit will be achieved. The opportunity to benefit is not restricted in any way except that grants are restricted to bodies registered in the UK, not least to facilitate the trustees being able to follow up on the efficacy of the grants made. In all other respects grants are not limited in any way except that the recipients should have a charitable need.

The grants made and agreed will benefit the elderly and disabled including their families and the community.

The trustees therefore consider that the Trust's activities are for the benefit of the public generally.

Key management

The trustees comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee received any remuneration in the year. Details of trustees' expenses and remuneration and any related party transactions are disclosed in note 4 to the accounts. As noted above, the day or day management of the charity's activities, and the implementation of policies, is delegated to the Private Client Department of Payne Hicks Beach.

TRUSTEES' REPORT - 16TH MAY 2018**ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (Continued)****Investment policy**

The charity has a portfolio of investments with a market value as at 16th May 2018 of £1,144,440 (2017 - £1,318,587).

There are no restrictions on the charity's power to invest. The investment strategy is agreed between the trustees and the investment managers, and is regularly reviewed. This is the subject of a policy statement which has been completed by the trustees and forms an integral part of the agreement with the investment manager to provide investment management services. The overall investment policy is to maximise return by investment in a balanced portfolio comprised of equities, fixed interest, and cash with a medium risk profile. Performance is measured by reference to the FT All Share and FTSE APCIMS Private Investor Balanced Indices.

ACHIEVEMENTS AND PERFORMANCE

The investment managers provide regular reports to the trustees on the performance of the portfolio, comparison against the benchmark and general market issues. The trustees' investment policy was agreed on 8th July 2015.

Review of activities

Total investment income received in the year amounts to £34,445, which equates to a yield of 2.4% (based on the market valuation of the investments assets at the year end). The trustees agreed grants of £509,650 including future commitments of £420,000 during the year. The grants awarded in the year are detailed in the Appendix on page 22.

The trustees feel that their objectives have been adequately met this year. It is anticipated that the charity's grant making activities will develop further over the course of the coming year.

The trustees are aware that there are external factors, which could affect the achievements of their objectives as a significant part of the charity's assets are made up of investments and cash, the result of which are dependent on the general performance of the UK and overseas stock markets. As noted above under risk management, in order to minimise this, the trustees have set prudent investment policies and place reliance on the investment managers to monitor and advise on the necessary investment changes and suitable asset allocation.

Investment performance

During the year the charity's investment assets performed adequately achieving an income yield of 2.4% (based on the valuation of investment assets at the year end) and a capital increase of 2.1%. The investment managers invested in accordance with the trustees' investment policy as reviewed and set out earlier in this report. At the end of the year the charity's portfolio of investments comprised of 11% UK fixed interest stocks, 53% UK equities and unit trusts, 5% property funds and 31% overseas equities and fixed interest.

The trustees are satisfied with the performance of the investments and remain satisfied that their investment objectives are being met.

TRUSTEES' REPORT - 16TH MAY 2018**FINANCIAL REVIEW****Results for the year**

A summary of the year's results can be found on page 12 of this report and accounts.

During the year ended 16th May 2018, total income amounted to £34,455 (2017 - £36,792), being income arising from the charity's investments and cash deposits.

The trustees made grants totalling £509,650 (less £3,880 commitments no longer required, £505,770 including future commitments of £420,000) (2017 - £6,679). After accounting for investment management costs of £11,063 (2017 - £11,300), grant and other administration costs of £42,852 (2017 - £51,864) and the governance costs of £1,809 (2017 - £1,745), brought total expenditure to £561,494 (2017 - £71,588).

There were net investment gains during the year of £23,692 (2017 - £170,050).

This results in a net decrease in funds during the year of £503,347 (2017 - net increase in funds of 135,254).

Reserves policy and financial position***Reserves policy***

The trustees' policy is to operate on the basis of being able to continue to generate sufficient income to use towards meeting their charitable objects and to accord with their principal aims. The trustees are of the opinion that the charity's funds remain sufficient to enable them to continue this ongoing objective.

The charity has sufficient, but not excessive, funds to maintain its current level of charitable distributions.

Financial position

The balance sheet shows total funds of £770,402 (2017 - £1,273,749). The unrestricted fund comprises amounts which ultimately are free reserves but which are held by the trustees for investment so as to ensure the continued generation of income in future periods, thereby helping to safeguard the existence of the charity and the achievement of its objectives. The size of the unrestricted fund sustains and supports the level of donations which the trustees wish to make over time. The trustees consider free reserves to be adequate but not excessive in the light of the charity's reserve policy set out above.

TRUSTEES' REPORT - 16TH MAY 2018

FINANCIAL REVIEW (Continued)

Future plans

The trustees intend to meet the following objectives over the next two to five years:

- To ensure the investment performance achieves the criteria set by them so that there are sufficient funds to meet their grant giving policies.
- To develop the charity's grant making activities.

Signed on behalf of the trustees:

.....
Trustee

.....
Trustee

.....
Trustee

.....
Trustee

Approved by the trustees on:.....2018

INDEPENDENT AUDITOR'S REPORT - 16TH MAY 2018**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE MARGARET FISHER CHARITABLE TRUST****OPINION**

We have audited the accounts of The Margaret Fisher Charitable Trust (the 'charity') for the year ended 16th May 2018 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 16th May 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT - 16TH MAY 2018**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE MARGARET FISHER CHARITABLE TRUST****OTHER INFORMATION (CONTINUED)**

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities 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 accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ACCOUNTS

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT - 16TH MAY 2018

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE MARGARET FISHER CHARITABLE TRUST**

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Buzzacott LLP
Statutory Auditor
130 Wood Street
London EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 16TH MAY 2018

Total 2017 £		Notes	Unrestricted 2018 £
	INCOME FROM		
36,690	Investment income	1	34,439
102	Interest receivable		16
<hr/>			<hr/>
36,792	TOTAL INCOME		34,455
<hr/>			<hr/>
	EXPENDITURE ON:		
	Raising funds		
11,300	Investment management costs		11,063
	Charitable activities		
60,288	Promoting and enhancing charitable work	2	550,431
<hr/>			<hr/>
71,588	TOTAL EXPENDITURE		561,494
<hr/>			<hr/>
(34,796)	NET EXPENDITURE BEFORE INVESTMENT (LOSSES) GAINS		(527,039)
	Investment (losses) gains		
6,382	Realised	6	(8,171)
163,668	Unrealised	6	31,863
<hr/>			<hr/>
135,254	NET (EXPENDITURE) INCOME AND NET MOVEMENT IN FUNDS		(503,347)
<hr/>			<hr/>
	RECONCILIATION OF FUNDS		
1,138,495	Total funds brought forward at 17th May 2017		1,273,749
<hr/>			<hr/>
1,273,749	Total funds carried forward at 16th May 2018		770,402
<hr/>			<hr/>

All recognised gains and losses are included in the above statement of financial activities.

All of the charity's activities derived from continuing operations during the above two financial years.

BALANCE SHEET - 16TH MAY 2018

<u>2017</u> <u>£</u>		<u>Notes</u>	<u>2018</u> <u>£</u>	<u>2018</u> <u>£</u>
	<u>FIXED ASSETS</u>			
	Investments			
1,318,587	Listed Investments	6		1,144,440
	<u>CURRENT ASSETS</u>			
268	Debtors	7	268	
48,592	Cash at bank and in hand	8	61,183	
48,860	Total current assets		61,451	
	<u>LIABILITIES:</u>			
(93,698)	Creditors: Amounts falling due within one year	9	(178,823)	
(44,838)	<u>NET CURRENT LIABILITIES</u>			(117,372)
1,273,749				1,027,068
-	Creditors: Amount falling due after one year			(256,666)
1,273,749	<u>NET ASSETS</u>			770,402
	<u>TOTAL FUNDS OF THE CHARITY</u>			
	Unrestricted Income Fund			
1,273,749	General Fund			770,402

Approved by the trustees:

Trustee

Trustee

Trustee

Trustee

Date of Approval: 2018

THE PRINCIPAL ACCOUNTING POLICIES - 16TH MAY 2018

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 16th May 2018 with comparative information presented in respect to the year to 16th May 2017.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes of these accounts.

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16th July 2014, Update Bulletin 1 issued on 2nd February 2016, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The item in the accounts where these judgements and estimates have been made include:

- estimating the liability for multi-year grant commitments.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect of a period of one year from the date of approval of these accounts.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the account are detailed above. With regard to the next accounting period, the year ending 16th May 2019, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises investment income from investments and interest from deposits.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

THE PRINCIPAL ACCOUNTING POLICIES - 16TH MAY 2018**Income recognition (continued)**

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligations can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between the activities is as follows:

- (a) Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes the fees paid to the investment manager in connection with the management of the charity's listed investments.
- (b) Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants payable in promoting and enhancing charitable work carried out by other charitable organisations, and related support costs including the cost of administering the activities of the charity and governance costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of administration services.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect of its compliance with regulation and good practice.

Support costs and governance costs are apportioned directly to the one charitable activity.

Fixed asset investments

Fixed asset investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains (or losses) are credited (or debited), to the statement of financial activities in the year in which they arise.

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity has complex financial instruments in the form of forward exchange currency contracts. These are initially measured at transaction price and thereafter they are measured at fair value.

THE PRINCIPAL ACCOUNTING POLICIES - 16TH MAY 2018**Fixed asset investments (continued)**

As noted above the main form of financial risk faced by the charity is that a volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are credited (or debited) in the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash in bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

The unrestricted fund represents funds available for the general charitable purposes of the charity which may be applied at the discretion of the trustees.

Cash flow

The accounts do not include a cash flow statement because the charity is exempt from the requirement to prepare such a statement under the Charities SORP FRS 102 Update Bulletin 1.

NOTES TO THE ACCOUNTS - 16TH MAY 2018

1 INVESTMENT INCOME

2017				2018
£				£
		UK equities and unit trusts		
	21,147	Dividends	20,485	
	4,428	Interest	2,824	
25,575				23,309
210		UK REIT Income		154
4,573		UK Government and fixed interest securities		3,920
		Overseas income		
	4,820	Equities	5,674	
	1,512	Interest	1,382	
6,332				7,056
36,690				34,439

2 PROMOTING AND ENHANCING CHARITABLE WORK

2017				2018
£				£
55,400	Grants payable to institutions	509,650		
(48,721)	<u>Less:</u> Provision for donation no longer required	(3,880)		
				505,770
51,864	Grant and other administration costs			42,852
1,745	Governance costs (note 3)			1,809
60,288	2018 Total Funds			550,431

The grants payable to institutions are detailed in the appendix to these accounts.

NOTES TO THE ACCOUNTS - 16TH MAY 2018**2 PROMOTING AND ENHANCING CHARITABLE WORK (Continued)**

A reconciliation of the grants payable and grant commitments figures shown in these accounts is as follows:

<u>2017</u>		<u>2018</u>
<u>£</u>		<u>£</u>
413,721	Grant commitments at 17th May 2017	55,000
55,400	Grants agreed during the year	509,650
<hr/>		<hr/>
469,121		564,650
(48,721)	<u>Less:</u> Provision for donation no longer required	(3,880)
<hr/>		<hr/>
420,400	Grants payable	560,770
(365,400)	Grants paid during the year	(140,770)
<hr/>		<hr/>
55,000	Grant commitments at 16th May 2018	420,000
<hr/>		<hr/>

On 30th November 2017, the trustees entered into a legal agreement to make a grant totalling £485,000 to Abbeyfield Yarmouth Society Limited to fund part of the construction cost of an Abbeyfield home to be built on a specified site in the Isle of Wight. The grant is payable in tranches following receipt by the trustees of a formal confirmation of the amount due based on the building work certified. The grant is conditional on Abbeyfield Yarmouth Society Limited not disposing of the specified site or another site on the Isle of Wight for a period of nine years from the date of the final instalment of the grant (which itself will be payable no later than 30th November 2021). Should the conditions be breached, Abbeyfield Yarmouth Society Limited will be required to repay the grant in full.

3 GOVERNANCE COSTS

<u>2017</u>		<u>2018</u>
<u>£</u>		<u>£</u>
1,680	Statutory audit fee	1,728
65	Trustees' expenses	81
<hr/>		<hr/>
1,745	2017 Total Funds	1,809
<hr/>		<hr/>

4 STAFF COSTS AND TRUSTEES' REMUNERATION

The Charity employed no staff during the year (2017 - None).

No trustee received any remuneration in respect of their services during the year (2017 - £nil).

Two trustees was reimbursed for expenditure incurred in the performance of their duties during the year of £80 (2017 one trustee - £65).

NOTES TO THE ACCOUNTS - 16TH MAY 2018**4 STAFF COSTS AND TRUSTEES' REMUNERATION (Continued)**

The key management personnel of the charity in charge of directing and controlling the charity comprise the trustees.

The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £nil (2017 - £nil).

Payne Hicks Beach Trust Corporation Limited ("PHBTCL") is a trustee of the charity and a trust corporation within the meaning of the Trustee Act 1925. All directors of PHBTCL are practising solicitors and partners of Payne Hicks Beach, the firm of solicitors which administers payments and keeps the books and records of the charity.

5 TAXATION

The Margaret Fisher Charitable Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities as they fall within the exemptions available to registered charities.

6 INVESTMENTS

2017 £		2018 £
	LISTED INVESTMENTS	
	Movements in listed investments during the year were as follows:	
1,178,400	Market value at 17th May 2017	1,318,587
232,113	Additions at cost	129,318
(255,594)	Disposals at book value (proceeds: £327,157; losses £8,171)	(335,328)
163,668	Net unrealised gains in year	31,863
<hr/> 1,318,587	Market value at 16th May 2018	<hr/> 1,144,440
<hr/> 1,136,731	Cost of listed investments 16th May 2018	<hr/> 968,556

All investments were dealt in on a recognised stock exchange.

NOTES TO THE ACCOUNTS - 16TH MAY 2018**6 INVESTMENTS (Continued)**

2017 £			2018 £
	Listed investments held at 16th May 2018 comprise the following investment all listed on a UK stock exchange:		
618,456	UK equities and unit trusts		603,697
154,800	UK government and fixed interest securities		126,554
57,566	Property funds		60,613
830,822	Overseas investments		790,864
341,417	Overseas equities	308,516	
146,348	Fixed Interest	45,060	
			353,576
1,318,587			1,144,440

At 16th May 2018 there were no individual holdings considered material.

7 DEBTORS

2017 £		2018 £
20	Estate of M. Fisher - tax repayment	20
39	Abbeyfield Kent Society Ltd.	39
209	Income Tax recoverable	209
268		268

8 CASH AT BANK AND IN HAND

2017 £			2018 £
41,346	Investec Wealth & Investment Management Limited		17,451
1,733	Payne Hicks Beach	38,203	
5,513	Payne Hicks Beach - Lloyds	5,529	
			43,732
48,592			61,183

NOTES TO THE ACCOUNTS - 16TH MAY 2018**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

2017			2018
£			£
35,607	Grant administration costs		12,396
1,411	Investment management fees		1,365
1,680	Statutory audit fee		1,728
	Grants:		
10,000	Rhythmix Wishing Well	10,000	
15,000	Abbeyfield Yarmouth Society Limited	128,334	
20,000	(Groombridge Village Hall)	-	
10,000	(Abbeyfield Crowborough)	-	
-	My Life Films	15,000	
-	Groombridge Sports Ground Association	10,000	
		<hr/>	163,334
<hr/>			
93,698			178,823
<hr/>			<hr/>

AMOUNTS FALLING DUE AFTER ONE YEAR

2017		2018
£		£
-	Abbeyfield Yarmouth Society Limited	256,666
<hr/>		<hr/>

10 UNREALISED GAINS

Unrealised gains on listed investments	175,884
	<hr/>
Reconciliation of movements in unrealised gains on investment assets	
Unrealised gains at 17th May 2017	181,856
Adjusted in respect of disposals in year	(37,835)
	<hr/>
	144,021
Add: Net gains arising on Investment revaluation in year	31,863
	<hr/>
Unrealised gains at 16th May 2018	175,884
	<hr/>

APPENDIX: GRANTS PAYABLE**GRANTS PAYABLE:****Institution****Amount****£**

Abbeyfield Yarmouth Society Ltd.

470,000

Connex Wessex

4,000

Groombridge Sports Ground Association

10,000

The Margaret Fisher House

650

My Life Films

15,000

Rhythmix Wishing Well

10,000

509,650

Total grants and donations committed to institutions during 2017 £55,400