

**THE HADLEY TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2018**

Charity Number 1064823

**THE HADLEY TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018**

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**THE HADLEY TRUST
TRUSTEES AND PROFESSIONAL ADVISERS**

The Trustees

P. W. Hulme
J. Hulme
S. A. Swift
T. W. Hulme
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

Barclays Bank plc
One Stanhope Gate
Mayfair
London W1K 1AF

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 2018**

The trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 31st March 2018.

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 which is described below. In general, the trustees prefer to work with small to medium-sized organisations and establish the trust as a reliable, long-term funding partner.

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

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

PUBLIC BENEFIT

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

REVIEW OF ACTIVITIES

During the year 72 organisations received grants totalling £3,462,768. This compares with 76 organisations and a total of £3,318,673 in 2016/17.

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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	41.8%	(39.1%)
Hospices	17.3%	(18.1%)
Social Investment	11.8%	(9.6%)
Young people	10.2%	(12.1%)
Disabilities	7.4%	(4.3%)
Medical	7.0%	(7.0%)
Local	3.5%	(3.4%)
International	1.0%	(2.2%)
Welfare Reform	0.0%	(4.2%)

In general, the trust's overall focus has not changed since 2016/17 and the above percentages have stayed much the same. Significant and exceptional donations were made to Noah's Ark and CPotential in 2017/18 but these followed comparable donations in the previous year so the overall pattern is unchanged.

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 has also funded think tanks, such as Crest Advisory, to carry out research into crime and justice policy issues. In the following sections of the report we discuss our involvement with the largest recipients of our funding and this provides more insight into our work in the criminal justice area.

The primary focus of the trust's work with young people has been young people in care. 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 2017/18 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 below.

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 follows 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 years from 2010, opening a new charity shop in 2012 and, more recently, a project to facilitate the construction of North and Central London's only children's hospice building – The Ark.

**THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT (*continued*)
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Historically Noah's Ark has predominantly been an outreach service, using trained volunteers with professional support. As the next stage in its development, it is now planning to use its new building to provide support services, respite care and accommodation to the children and their families.

In 2017/18 the Hadley Trust made a donation of £500,000 to Noah's Ark to enable them to continue with the construction of the new centre. This followed a similar donation for the same purpose in 2016/17.

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.

During the financial year 2017-18, the CJI reviewed and updated its strategy, and it now has six strands of work. One of these aims to improve the effectiveness and fairness of the criminal court system. This has developed from the work that CJI has carried out for many years to encourage the use of problem solving justice in the UK.

In support of this work, the team has continued its support of the community courts in Plymouth and Cornwall. For a time, Plymouth was the only surviving second-generation community court. 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. This has now been running for three 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.

Another strand of work aims to increase the use and effectiveness of pre-court diversion. 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 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.

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 and events concerning Brexit were presented during the year and work in this area has continued subsequently.

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Coram Voice and the Hadley Centre

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

Coram Voice and the Hadley Centre at Bristol University have been working together on the Bright Spots project since 2013. It is a substantial multi-year programme modelled on the Out of Trouble programme run by the Prison Reform Trust. The aim is to highlight areas of good practice within Children Services at Local Authorities and encourage the replication of these practices nationwide. The first phase of work involved understanding what constitutes a good care journey in order to identify and then help to disseminate good practice. To do this the partners worked with local authorities and the young people themselves to develop a questionnaire for looked-after young people. This is currently being rolled out across many Local Authorities and the partners are working closely with the Local Authorities to identify and highlight areas of good practice, as well as unpick areas where the local authorities could make improvements. More recently, a second questionnaire for care leavers has also been developed and implemented.

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.

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. This was carried out in conjunction with GovernUp. After the above projects, the trust started to fund Crest directly, rather than through charitable intermediaries, as the most effective means of pursuing the trust's charitable objectives.

During 2017-18, Crest researched and reported on the use of community sentences. They found that their use has been in steady decline over the past decade and sought to explain why and what might be done about it.

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As a follow up to the devolution work with GovernUp, Crest worked with four police and crime commissioners on various issues that were important to them, and then brought the projects together with a paper on the lessons that came from this work.

Crest has also been working 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. This work continues.

Finally, Crest has been engaged on a project called Rewiring Punishment and Rehabilitation. This paper looks at why the current mix of responses to crime are ineffective, and suggests some new approaches. This work went on through 2017 and the report was published in 2018.

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 2017/18 the total value of the trust's holdings increased by £30.9 million to £180.9 million which is an increase of 20.6%. £2 million of this was the result of a further donation by the settlor so the underlying increase, was 19.2% (compared to 0.9% in 2016/17). These are net increases, after charitable donations and all other outgoings.

The rate of return on the component of the portfolio managed by Goldman Sachs was 2.8% (13.4% in 2016/17).

During the year the trust participated in a Computacenter tender offer and sold nearly 600,000 shares for a total consideration of just under £7 million. This is in line with the trustees' long-term strategy of gradually diversifying the trust's portfolio.

**THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2018**

The trustees are very 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 2017/18.

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

J.V. Love stepped down on 6th February 2018 having served on the board for over six years.

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;

THE HADLEY TRUST
TRUSTEES' ANNUAL REPORT (*continued*)
FOR THE YEAR ENDED 31ST MARCH 2018

- 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 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: 13.11.18



P. W. Hulme
Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HADLEY TRUST FOR THE YEAR ENDED 31ST MARCH 2018

We have audited the financial statements of The Hadley Trust for the year ended 31st March 2018 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 pages 7 and 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 2018 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 2018**

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.

R. Knight

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

Date *16th November, 2018.*

THE HADLEY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2018

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds Year to 2018 £	Total Funds Year to 2017 £
INCOME AND ENDOWMENTS					
Donations and legacies	4	-	1,990,000	1,990,000	747,000
Investments	5	2,667,381	-	2,667,381	2,718,792
Other income	6	-	-	-	3,036
TOTAL INCOME		2,667,381	1,990,000	4,657,381	3,468,828
EXPENDITURE					
Expenditure on raising funds:					
Investment management costs	7	(295,014)	-	(295,014)	(258,894)
Expenditure on charitable activities	8/9	(3,693,668)	-	(3,693,668)	(3,544,244)
TOTAL EXPENDITURE		(3,988,682)	-	(3,988,682)	(3,803,138)
Net gains on investments			7,865,653	7,865,653	2,486,855
Net income		(1,321,301)	9,855,653	8,534,352	2,152,545
Transfer between funds	13	1,321,301	(1,321,301)	-	-
		-	8,534,352	8,534,352	2,152,545
OTHER RECOGNISED GAINS AND LOSSES					
(Losses)/gains on revaluation of fixed assets		-	22,369,980	22,369,980	186,412
NET MOVEMENT IN FUNDS		-	30,904,332	30,904,332	2,338,957
RECONCILIATION OF FUNDS					
Total Funds brought forward		-	149,995,911	149,995,911	147,656,954
TOTAL FUNDS CARRIED FORWARD		-	180,900,243	180,900,243	149,995,911

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 13 to 18 form part of these financial statements.

THE HADLEY TRUST
STATEMENT OF FINANCIAL POSITION
31ST MARCH 2018

		2018	2017
	Note	£	£
FIXED ASSETS			
Tangible assets	15	18,622	27,027
Investments	16	<u>179,670,929</u>	<u>148,566,117</u>
		179,689,551	148,593,144
CURRENT ASSETS			
Debtors	17	49,885	44,885
Cash at bank		<u>1,204,785</u>	<u>1,398,232</u>
		1,254,670	1,443,117
CREDITORS: Amounts falling due within one year	18	<u>(43,978)</u>	<u>(40,350)</u>
NET CURRENT ASSETS		<u>1,210,692</u>	<u>1,402,767</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>180,900,243</u>	<u>149,995,911</u>
NET ASSETS		<u><u>180,900,243</u></u>	<u><u>149,995,911</u></u>
FUNDS OF THE CHARITY			
Endowment funds	19	<u>180,900,243</u>	<u>149,995,911</u>
TOTAL CHARITY FUNDS		<u><u>180,900,243</u></u>	<u><u>149,995,911</u></u>

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

dated: 13.11.18

P.W. Hulme

P.W. Hulme
Trustee

The notes on pages 13 to 18 form part of these accounts

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

ACCOUNTING POLICIES

Accounting convention

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

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

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

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

Income

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

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

Expenditure

Expenditure is accounted for on an accruals basis.

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

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

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

Tangible fixed assets and depreciation

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

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

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

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
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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 2018

4. DONATIONS AND LEGACIES

	2018 £	2017 £
Other voluntary income	<u>1,990,000</u>	<u>747,000</u>

5. INVESTMENT INCOME

	2018 £	2017 £
Income from investment properties	56,173	54,011
Income from listed investments	2,583,944	2,654,095
Income from cash investments	22,264	5,686
Income from other investments	5,000	5,000
	<u>2,667,381</u>	<u>2,718,792</u>

6. OTHER INCOME

	2018 £	2017 £
Gains on disposal of tangible fixed assets held for charity's own use	-	3,036

7. INVESTMENT MANAGEMENT COSTS

	2018 £	2017 £
Portfolio management	274,182	200,036
Rent collection and investment property management	7,238	7,868
Property repairs and maintenance charges	13,594	50,990
	<u>295,014</u>	<u>258,894</u>

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 2018 £	Total Funds Year to 2017 £
Crime and Justice	1,446,887	42,343	54,173	1,543,403	1,388,228
Hospices	600,000	17,525	22,421	639,946	640,829
Social investment	410,000	11,953	15,293	437,246	429,424
Young People	354,035	10,333	13,219	377,587	338,865
Disabilities	256,500	7,496	9,590	273,586	247,643
Medical	241,746	7,091	9,072	257,909	151,199
Local	119,600	3,546	4,536	127,682	149,373
International	34,000	1,013	1,296	36,309	119,719
Welfare Reform	-	-	-	-	78,964
	<u>3,462,768</u>	<u>101,300</u>	<u>129,600</u>	<u>3,693,668</u>	<u>3,544,244</u>

9. SUPPORT AND GOVERNANCE COSTS

	2018 £	2017 £
The breakdown of support costs attributable to charitable activities is:		
Staff salaries & NI	90,635	84,661
Depreciation	8,405	8,386
Motor vehicle expenses	644	709
Office	262	290
Travel	1,354	1,925
Governance costs - Audit & accountancy	129,600	129,600
	<u>230,900</u>	<u>225,571</u>

THE HADLEY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

10. STAFF COSTS AND EMOLUMENTS

	2018 £	2017 £
The aggregate payroll costs were:		
Wages and salaries	83,000	79,000
Social security costs	7,635	5,661
	<u>90,635</u>	<u>84,661</u>

Particulars of employees:

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

	2018 No.	2017 No.
Administration	<u>2</u>	<u>2</u>

No employee received emoluments of more than £60,000 during the year (2017 - Nil).

11. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No remuneration was paid to trustees in the year (2017 - Nil), nor were any trustees' expenses reimbursed (2017 - Nil).

No trustee had any personal interest in any contract or transaction entered into by the charity during the year (2017 - Nil).

12. NET INCOME

	2018 £	2017 £
This is stated after charging:		
Depreciation	8,405	8,386
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 £1,321,301 (2017 - £1,081,310) expendable endowed capital into income.

14. NET GAINS ON INVESTMENTS

	2018 £	2017 £
Losses on cash held for investment purposes	1,059,305	(2,144,916)
Gains on listed investments	4,336,804	1,849,944
Gains on other investments	2,469,544	2,781,827
	<u>7,865,653</u>	<u>2,486,855</u>

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15. TANGIBLE FIXED ASSETS

	Office Furniture	Equipment £	Motor Vehicle £	Total £
COST				
At 1st April 2017	14,831	753	24,720	40,304
Additions	-	-	-	-
Disposals	-	-	-	-
At 31st March 2018	<u>14,831</u>	<u>753</u>	<u>24,720</u>	<u>40,304</u>
DEPRECIATION				
At 1st April 2017	6,859	753	5,665	13,277
Charge for the period	2,225	-	6,180	8,405
Disposals	-	-	-	-
At 31st March 2018	<u>9,084</u>	<u>753</u>	<u>11,845</u>	<u>21,682</u>
NET BOOK VALUE				
At 31st March 2018	<u>5,747</u>	<u>-</u>	<u>12,875</u>	<u>18,622</u>
At 31st March 2017	<u>7,972</u>	<u>-</u>	<u>19,055</u>	<u>27,027</u>

16. INVESTMENTS

	Cash or Cash Equivalents £	Listed Investments £	Investment Properties £	Other Investments £	Total £
Cost or valuation					
At 1st April 2017	2,680,316	118,023,556	3,070,000	24,792,245	148,566,117
Additions	11,784,665	7,174,740	-	3,948,844	22,908,249
Disposals	(6,160,232)	(6,197,762)	-	(1,815,422)	(14,173,416)
Revaluations	94,820	23,465,058	-	(1,189,899)	22,369,979
At 31st March 2018	<u>8,399,569</u>	<u>142,465,592</u>	<u>3,070,000</u>	<u>25,735,768</u>	<u>179,670,929</u>
Impairment					
At 1st April 2017 and 31st March 2018				<u>-</u>	<u>-</u>
Carrying amount					
At 31st March 2018	<u>8,399,569</u>	<u>142,465,592</u>	<u>3,070,000</u>	<u>25,735,768</u>	<u>179,670,929</u>
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>

The trustees consider that the following individual investments requires disclosure:

Listed Investments

Computacenter plc 6,605,117 ordinary shares £75,826,743 (2017 - 7,001,349 ordinary shares £52,195,057).

These shares are listed on the London Stock Exchange and are valued at mid-price at the close of business on 31st March 2018. 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

Other debtors

2018	2017
£	£
<u>49,885</u>	<u>44,885</u>

18. CREDITORS: Amounts falling due within one year:

Taxation and social security
 Accruals

2018	2017
£	£
750	-
<u>43,228</u>	<u>40,350</u>
<u>43,978</u>	<u>40,350</u>

19. ENDOWMENT FUNDS

	Balance at 1.4.17	Incoming Resources inc. gains	Balance at 31.3.18
	£	£	£
Expendable endowment	<u>149,995,911</u>	<u>30,904,332</u>	<u>180,900,243</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.