

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2016**

incorporating

The Framlingham College Improvement Fund
The Moreau Benevolent Fund
Old Framlinghamian Scholarship Fund
The Wallace Scholarship Fund
The Alfred Pretty Memorial Fund
The Mawby Memorial Fund

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

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**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

Legal and Administrative Information

CHARITY STATUS

The Society of Old Framlinghamian Charitable Trust was created by a Trust Deed dated the 3rd June 2014 and registered under the Charities Act 1990 (Registered Number 1158435). The Charity Commission was then requested to transfer the link of the Society's other restricted funds from the Albert Memorial College (known as Framlingham College) to its new charity, which they did with effect from the 17th December 2014.

The charity is a 'Small Charity' as defined by the Charity Commission and the Trustees have taken advantage of the limited reporting requirements.

TRUSTEES

The trustees who served during the year were

C R Essex
T J Mitchell
J N Ellerby
M D Smy

ADMINISTRATIVE OFFICES

Trustees: 12 Woodditton Road
Newmarket
Suffolk
CB8 9BQ

BANKERS

HSBC Bank plc
12 Tavern Street
Ipswich
Suffolk
IP1 3AZ

INVESTMENT ADVISERS

Investec Wealth Management Limited
30 Gresham Street
London
EC2V 7QN

INDEPENDENT EXAMINERS

Ensors Accountants LLP
Cardinal House
46 St. Nicholas Street
Ipswich
Suffolk
IP1 1TT

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

Trustees' Report

The Trustees have pleasure in presenting their report and financial statements for the year ended 31st December 2016.

TRUSTEES

The Trustees of the Society who served throughout the year are listed on page 2. Trustees are appointed for a term of four years with provision for re-appointment by the remaining Trustees for a further four year term. After a Trustee has served two consecutive terms in office, (s)he shall be eligible for re-appointment only after a year has elapsed since (s)he retired as a Trustee, unless the other Trustees consider it would be in the best interests of the charity for a Trustee to be eligible for re-appointment on the retirement date for such number of further terms as the Trustees shall resolve.

PURPOSES OF FUNDS

Restricted Charitable Funds

- 1) Society of Old Framlinghamian Charitable Trust (Charity Reg. No. 1158435)
To advance education by providing financial support to children who without it would be unable to attend Framlingham College; by providing funds towards the maintenance of its buildings and sports facilities; and by providing financial relief to former students and staff of the College.
- 2) Wallace and Old Framlinghamian Scholarship Funds
To provide scholarships to both pupils at and leavers from Framlingham College and Brandeston Hall.
- 3) Alfred Pretty and Mawby Memorial Funds
To provide prizes to members of Framlingham College and Brandeston Hall.
- 4) Bromage Memorial Prize Fund
To provide a prize for sporting excellance to members of Brandeston Hall.
- 5) Framlinghamian College Improvement Fund
To provide funds for the improvements to the buildings and facilities at Framlingham College and Brandeston Hall.
- 6) Moreau Benevolent Fund
To provide for the welfare of past and present members of Framlingham College and Brandeston Hall and their families.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

Trustees' Report - continued

STATEMENT OF PUBLIC BENEFIT

The Trustees in carrying out their charitable duties have had regard to the Charity Commission's public benefit guidance.

REVIEW OF THE YEAR

It has been an active year for the charity on several fronts, the principal one being the decision to donate £500,000 to Framlingham College for their new sports pavilion. This donation would not have been possible in its entirety without the generous support of the Society of Old Framlinghamians, who made good the shortfall in our funds by giving the charity a twenty five year, interest free loan. The Trustees would like to record their appreciation of the Society's support.

Accounts

The Statement of Financial Activities (**SOFA**) at first glance looks alarming this year with a deficit of £175,054 in the restricted income fund and an overall deficit of £20,889 after taking account of expendable endowment. However, the deficit is covered by the long term loan from the Society of Old Framlinghamians (**SOF**) so the trustees have no concern for the future of the charity. Furthermore the loan agreement permits annual repayments to be varied depending on the level of income in the year.

Donations were up considerably at £151,947 compared to £29,155 last year. Again the **SOF** was our main donor, but it is pleasing to report that our other donors responded to the appeal to complete new gift aid declarations which will enable us to recover more tax in future years.

Investment income was a little higher due mainly to the additional investments made last year, but, alas, not sufficient to cover the increase in the investment manager's fees. Further changes in investments have been carried out this year, which is dealt with under the review of investments below.

A new, significant entry in the **SOFA** this year is 'finance income arising from concessionary loan'. Because the loan is interest free and for more than one year, the charity is deemed to have received a benefit which is quantified by calculating the net present value of the amount borrowed. The benefit, in plain English, is derived from the fact that the charity will repay the loan with money which is worth less and less with time. The loss in value is estimated using a notional rate of interest; in the present case the rate charged by HMRC for overdue payments has been selected as it is readily available. At 3%, the present value of the 25 year loan is £174,187 so we have received a deemed benefit of £189,553.

The Balance Sheet is skewed by the loan. However it is worth noting that the value of our investments has risen by £11,826 to £134,574 and the trustees hope the changes made to investments during the year will protect the gain made. Reserves are considered adequate for the level of activity currently undertaken.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

Trustees' Report - continued

REVIEW OF THE YEAR – continued

Investments

There has been a move away from UK fixed interest and equities into foreign fixed interest and equities as a hedge against the uncertainties of Brexit and wider global turbulence. The Trustees have also taken the opportunity to review and update the Investment Policy Statement though these changes were generally in relation to the reference to specific types of funds and the underlying investment management criteria remain unchanged.

Grants and Awards

In addition to the major award to the College for the new sports pavilion, a further £5,000 was given towards improvements to the golf course. The year also saw a couple of other ‘firsts’. It gave the trustees great pleasure to be able to award the first research grants for student field trips; one to the Antarctic and one to Iceland. Also, we were able to make our first welfare award, but as ever the bulk of the individual awards were prizes. The charity now provides the following:

- 15 prizes paying £50 at Year 11
- 15 prizes paying £100 at Year 13, followed by £100 in the following 2 years and a final payment of £150 3 years after leaving
- 2 Albert awards paying £100 in Year 13 followed by £150 in the following 2 years and a final payment of £200 3 years after leaving

Where the award consists of more than one payment, the subsequent instalments are contingent upon the recipients demonstrating a continuing commitment to the Society after leaving the College.

Once again the trustees supported the popular careers event in London and it looks set to become a regular feature of the student calendar.

Among the minor awards made perhaps the most poignant in the year of commemoration of the Somme battles was for a plaque to the fallen in the chapel of St George, Ypres. This plaque remembered the former pupils and staff of the College who gave their lives in the Great War and who had not been formerly recognised in Ypres before.

Rules and Policies

The Trustees continued reviewing the charity’s policies, procedures and objectives resulting in changes to the scope of SOFCT’s charitable activities and the trustees powers of borrowing.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

Trustees' Report - continued

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and the results for the period. In preparing the financial statements the Trustees are required to :

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Society.

The Trustees acknowledge their responsibility to take due care of the funds under their stewardship. They have established in conjunction with their Investment Advisers a broad strategy for keeping the balance between capital growth and income.

Approved by the Trustees and signed on their behalf

J.N. Ellerby
Trustee
17th March 2017

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

Statement of Financial Activities

	Notes	2016	2015		
		Restricted Income	Expendable Endowment	TOTAL	TOTAL
INCOME and ENDOWMENT from	3				
Donations and Legacies		151,947	-	151,947	29,155
Investments		4,075	-	4,075	4,048
Other		189,703	-	189,703	-
TOTAL INCOME		<u>345,725</u>	<u>-</u>	<u>345,725</u>	<u>33,203</u>
EXPENDITURE on	3				
Raising Funds					
<i>Investment Management</i>		1,039	-	1,039	949
Charitable Activities	4	<u>519,722</u>	<u>-</u>	<u>519,722</u>	<u>11,100</u>
TOTAL EXPENDITURE		<u>520,761</u>	<u>-</u>	<u>520,761</u>	<u>12,049</u>
NET INCOME/(EXPENDITURE) before investment gains or losses	3	(175,036)	-	(175,036)	21,154
OTHER RECOGNISED GAINS/(LOSSES)					
Net Gains/(Losses) on Investments		-	11,807	11,807	(3,409)
NET INCOME/(EXPENDITURE)		(175,036)	11,807	(163,229)	17,745
TRANSFERS BETWEEN FUNDS	10	(18)	18	-	-
NET MOVEMENT IN FUNDS		(175,054)	11,825	(163,229)	17,745
Balances as at 1 st January 2016		<u>19,592</u>	<u>122,748</u>	<u>142,340</u>	<u>124,595</u>
Balances as at 31 st December 2016	11	<u>(155,462)</u>	<u>134,573</u>	<u>(20,889)</u>	<u>142,340</u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2016**

Balance Sheet

	Notes	2016	2015
		£	£
<u>ASSETS</u>			
FIXED ASSETS			
Investments	5	134,574	<i>122,748</i>
CURRENT ASSETS			
Cash at Bank	6	<u>18,929</u>	<u>19,592</u>
		<u>18,929</u>	<u>19,592</u>
LIABILITIES			
Creditors: Amounts falling due within one year	7	<u>(205)</u>	<u>-</u>
		<u>(205)</u>	<u>-</u>
NET CURRENT ASSETS		18,724	<i>19,592</i>
Creditors: Amounts falling due after more than one year	8	<u>(174,187)</u>	<u>-</u>
TOTAL NET ASSETS/(LIABILITIES)		<u>(20,889)</u>	<u><i>142,340</i></u>
REPRESENTED BY:			
<u>CAPITAL</u>			
TRUST CAPITAL FUNDS			
Expendable Endowment	9	110,852	<i>111,196</i>
Revaluation Reserve	10	<u>23,721</u>	<u>11,552</u>
		<u>134,573</u>	<u><i>122,748</i></u>
TRUST INCOME FUNDS			
Restricted	10	<u>(155,462)</u>	<u><i>19,592</i></u>
	11	<u>(20,889)</u>	<u><i>142,340</i></u>

The Financial Statements were approved on 17th March 2017 and signed on behalf of the Trustees by:-

J.N. Ellerby

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Report and Financial Statements

For the year ended 31st December 2016

Cash Flow Statement

	<u>2016</u>	<u>2015</u>
Notes	£	£
Surplus/(deficit) for the year	(163,229)	17,744
<i>Adjustments for:</i>		
Notional income arising from concessionary loan	(189,553)	-
Investment income recognised in SOFA	(4,075)	(4,048)
Fair value (gains)/losses on investments	(11,807)	3,409
Interest added to capital	(19)	(32)
(Decrease)/Increase in creditors	<u>205</u>	<u>(171)</u>
	<u>(205,249)</u>	<u>(842)</u>
CASH (ABSORBED BY)/ GENERATED FROM OPERATING	(368,478)	16,902
 INVESTING ACTIVITIES		
Purchase of investments (AIF units)	-	(23,584)
Dividends received	4,062	4,032
Interest received	<u>13</u>	<u>16</u>
	<u>4,075</u>	<u>(19,536)</u>
 FINANCING ACTIVITIES		
Proceeds of loan from Society of Old Framlinghamians	<u>363,740</u>	-
	<u>363,740</u>	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(663)</u>	<u>(2,634)</u>

Represented by:-

<u>NET MOVEMENT IN CASH FUNDS</u>	<u>2016</u>	<u>2015</u>	<u>Change</u>
	£	£	£
Deposit account	18,929	19,450	(521)
Current Account	-	142	(142)
	<u>18,929</u>	<u>19,592</u>	<u>(663)</u>

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Notes to the Financial Statements For the year ended 31st December 2016

1 ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared in accordance with FRS 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (“FRS 102”), “Accounting and Reporting by Charities” the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

These are the first accounts that the charity has prepared under FRS 102. The transition has had no effect on the entity’s previously reported equity or surplus, and no effect on the entity’s existing accounting policies.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Trustees are responsible for seven other charitable funds which have a connection with the Society of Old Framlinghamians and which were linked on the 17th December 2014 to this registered charity by the Charity Commission. These accounts present the combined position of the various funds.

Preparation of the accounts on a going concern basis

As the loan agreement between the Society of Old Framlinghamians and the Charity is flexible in terms of repayments and length, the Trustees consider it appropriate for the accounts to be prepared on a going concern basis. Also, the Charity has significant endowment funds which could be converted to income if the charity did not have sufficient restricted income funds to meet their charitable expenditure. The Trustees would only commit to charitable expenditure if there were sufficient funds and therefore the accounts are prepared on a going concern basis.

Funds Structure

Unrestricted funds are general funds that are available for use at the trustees’ discretion in the furtherance of any of the objectives of the charities.

Designated funds are unrestricted funds which the trustees have decided to set aside for a specific purpose.

Restricted funds are funds for use in a particular area or for specific purposes as specified by the donor or trust deed. These form the greater part of the charity’s funds. Restricted funds can be either income or endowment (capital) funds; the latter can be expendable or permanent.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

ACCOUNTING POLICIES - continued

Fund Structure – continued

Trust law requires the Trustees to invest the assets of endowment funds. However, if the fund is expendable, the capital can be spent if the Trustees so determine.

Donations are given to support one or more of the charities aims and are therefore treated as restricted income upon receipt unless the donor specifically indicates that it should be treated as endowment. If not required to cover immediate or imminent expenditure the money may be transferred to expendable endowment and invested to generate future income for a particular fund. Investment income is therefore also treated as restricted income upon receipt. In view of the way the charity operates, it is not envisaged that the charity will have any unrestricted income, but the trustees are ever hopeful.

Recognition of Income

Investment income is recognised on a receivable basis.

Donations are recognised when received and if made under gift aid are recorded inclusive of the tax recoverable.

Legacies are accounted for on a receivable basis when the following conditions for their receipt have been met:

- the final estate accounts have been approved
- the legacy is capable of measurement and
- there is no reversionary interest

Where the recognition criteria of legacies is not met ie entitlement, certainty and measurement then legacies are not provided for within the accounts but noted as a contingent asset.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of investment management fees.
- Expenditure on charitable activities includes prizes and awards donated to pupils of the College and donations to the college undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure **was incurred**.

Investments

Investments are stated at market value. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

From the 1st January 2015 the trustees have pooled the investments of the individual funds into a single investment fund in order to obtain efficiencies in the management of the investments and to allow the smaller funds to access a wider range of investments.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Borrowings and Concessionary Loans

Borrowings including concessionary loans are initially recognised at the fair value of the proceeds and are subsequently amortised under the effective interest rate method through the Statement of Financial Activities (SOFA) as interest over the life of the loan, and which is added to the liability disclosed in the balance sheet. The benefit of repaying the loan in currency subject to inflation is calculated and credited to the SOFA as finance income.

No borrowings are shown as current liabilities as the charity has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Taxation

VAT is not recoverable and is charged to the expenditure to which it relates.

Tax recovered under gift aid is recognised when the donation is received and allocated to the income category to which the donation relates.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity’s accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS - continued

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2016

3 Detailed Statement of Financial Activities

	SOF Charitable Trust Note	Moreau Benevolent	Mawby Memorial	Alfred Pretty Memorial	O.F. Scholarship	Bromage Memorial	Wallace Scholarship	Framlingham College Improvement	2016 TOTAL	2015 TOTAL
INCOME										
Donations from SOF General Funds		122,260	732	-	-	10,225	-	-	14,000	147,217
Donations and Legacies from Members		3,507	-	-	-	252	-	-	971	4,730
Amalgamated Investment Fund Distributions		182	562	126	16	252	857	1,241	826	4,062
Interest		3	1	2	-	-	1	2	4	13
Grants and awards not taken up		-	-	-	-	50	-	100	-	150
Finance income arising from concessionary loan	8	189,553	-	-	-	-	-	-	189,553	-
		315,505	1,295	128	16	10,779	858	1,343	15,801	345,725
										33,203
EXPENDITURE										
Grants and awards		487,500	1,187	125	25	10,735	750	400	19,000	519,722
Stockbroker fees		47	143	32	4	64	220	318	211	1,039
Finance charges		-	-	-	-	-	-	-	-	-
		487,547	1,330	157	29	10,799	970	718	19,211	520,761
										12,049
NET INCOME/(EXPENDITURE) before gains or losses		(172,042)	(35)	(29)	(13)	(20)	(112)	625	(3,410)	(175,036)
										21,154
OTHER RECOGNISED GAINS										
Net Gains/(Losses) on Investments		529	1,633	366	48	731	2,493	3,605	2,402	11,807
NET MOVEMENT IN FUNDS		(171,513)	1,598	337	35	711	2,381	4,230	(1,008)	(163,229)
										17,745
Balances 1st January 2016		9,021	20,515	4,320	731	5,589	27,332	39,357	35,475	142,340
Balances 31st December 2016		(162,492)	22,113	4,657	766	6,300	29,713	43,587	34,467	(20,889)
										142,340
<i>Represented by:-</i>										
Restricted Income		(168,911)	2,208	154	212	687	823	2,674	6,691	(155,462)
Expendable Endowment		5,357	16,622	3,766	459	4,144	23,883	33,670	22,951	110,852
Revaluation Reserve		1,062	3,283	737	95	1,469	5,007	7,243	4,825	23,721
		(162,492)	22,113	4,657	766	6,300	29,713	43,587	34,467	(20,889)
										142,340

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

4 GRANTS and AWARDS

Area	Grants to		Support Costs	TOTAL	
	Individuals	Institutions		2016	2015
	£	£	£	£	£
Educational support	11,785	-	-	11,785	10,350
Educational buildings	-	500,000	-	500,000	-
Research	1,500	-	-	1,500	-
Sporting Activities	750	5,000	-	5,750	750
Welfare	232	-	-	232	-
Other	-	455	-	455	-
	<hr/> <u>14,267</u>	<hr/> <u>505,455</u>	<hr/> <u>-</u>	<hr/> <u>519,722</u>	<hr/> <u>11,100</u>

The Trustees have relied on the exemption relating to the disclosure of information on grants to individuals.

5 INVESTMENTS

	At Market Valuation				
	Opening	Additions	Disposals	Change in Valuation	Closing
	£	£	£	£	£
Amalgamated Investment Fund					
Listed investments	118,804	21,201	(18,704)	12,070	133,371
Cash awaiting investment					<hr/> <u>1,203</u>
					<hr/> <u>134,574</u>

Allocation between funds

SOF Charitable Trust	6,420
Moreau Benevolent	19,904
Mawby Memorial	4,503
Alfred Pretty Memorial	554
OF Scholarship	5,613
Bromage Memorial	28,891
Wallace Scholarship	40,913
Framlingham College Improvement	<hr/> <u>27,776</u>
	<hr/> <u>134,574</u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

5 INVESTMENTS - continued

AMALGAMATED INVESTMENT FUND – UNIT SUMMARY

	Opening	Additions		Disposals	Transfers	Closing
		Units	Cost £			
SOF Charitable Trust	582	-	-	-	-	582
Moreau Benevolent	1,799	-	-	-	-	1,799
Mawby Memorial	404	-	-	-	-	404
Alfred Pretty Memorial	52	-	-	-	-	52
OF Scholarship	805	-	-	-	-	805
Bromage Memorial	2,744	-	-	-	-	2,744
Wallace Scholarship	3,969	-	-	-	-	3,969
Framlingham College Improvement	<u>2,644</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,644</u>
	<u><u>12,999</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>12,999</u></u>

2015

	<i>At Market Valuation</i>				
	Opening	Additions	Disposals	Change in Valuation	Closing
	£	£	£	£	£
<i>Amalgamated Investment Fund</i>					
<i>Listed Investments</i>	101,056	59,629	(38,014)	(3,867)	118,804
<i>Cash awaiting investment</i>					<u>3,944</u>
					<u><u>122,748</u></u>

Allocation between funds

<i>SOF Charitable Trust</i>	5,891
<i>Moreau Benevolent</i>	18,268
<i>Mawby Memorial</i>	4,136
<i>Alfred Pretty Memorial</i>	506
<i>OF Scholarship</i>	4,881
<i>Bromage Memorial</i>	26,394
<i>Wallace Scholarship</i>	37,302
<i>Framlingham College Improvement</i>	<u>25,370</u>
	<u><u>122,748</u></u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

5 INVESTMENTS - continued

The ten largest holdings by value were:

	2016	2015
	£	%
iShares FTSE 100 Index	14,655	11.0
Bankers Investment Trust	13,990	10.5
BNY Mellon Newton Global Higher Income	12,542	9.4
Edinburgh Investment Trust Plc	11,814	8.9
Artemis Fund Income	11,206	8.4
Veritas Global Equity	-	-
Lazard Fund Managers Global Equity Income	9,955	7.5
Finsbury Growth & Income Trust	8,619	6.5
iShares US\$ Treasury Bonds 7-10 years	7,219	5.4
FIL Investment Services UK MB Income	6,417	4.8
Standard Life International Indexed Linked Bonds	6,379	4.8
Miton UK Multi Cap Income Fund	-	-
		5,170
		4.2

The asset allocation at value was:

	2016	2015
	%	%
UK Fixed Interest	12.1	15.8
UK Equities	45.4	46.9
Foreign Fixed Interest	10.1	4.9
Foreign Equities	27.1	24.4
Property etc	4.4	4.8
Cash	0.9	3.2
	<hr/> 100.0	<hr/> 100.0

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

6 CASH BALANCES

	Current	Deposit	2016 Total	2015 Total
SOF Charitable Trust	-	5,275	5,275	3,130
Moreau Benevolent	-	2,413	2,413	2,247
Mawby Memorial	-	154	154	184
Alfred Pretty Memorial	-	212	212	225
OF Scholarship	-	686	686	708
Bromage	-	823	823	938
Wallace Scholarship	-	2,674	2,674	2,055
Framlingham College Improvement	-	6,692	6,692	10,105
TOTAL	<hr/>	<hr/>	<hr/>	<hr/>
	-	18,929	18,929	19,592

7 CREDITORS: Amounts falling due within one year

	UNRESTRICTED		RESTRICTED		TOTAL	
	2016	2015	2016	2015	2016	2015
Other Creditors	205	-	-	-	205	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	205	-	-	-	205	-

8 CREDITORS: Amounts falling due after one year

	UNRESTRICTED		RESTRICTED		TOTAL	
	2016	2015	2016	2015	2016	2015
Unsecured borrowing at amortised cost						
Loan from related party	174,187	-	-	-	174,187	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	174,187	-	-	-	174,187	-

The Charity was provided with a 25 year, interest free, unsecured loan facility of £500,000 by the Society of Old Framlinghamians to enable it to make an immediate grant to Framlingham College for the building of a new sports pavilion, but only £363,740 of the facility was used. Because the loan is interest free, it is classed as a concessionary loan and has been shown in the Balance Sheet at fair value, which is the net present value of the closing loan balance discounted at 3%. On an amortised cost basis the balance would be £363,740. The difference of £189,553 is deemed to be the benefit of repaying the loan in currency subject to inflation and is credited to the SOFA as finance income. No borrowings are shown as current liabilities as the Charity has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Report and Financial Statements

For the year ended 31st December 2016

9 CAPITAL ACCOUNT MOVEMENTS

	SOF Charitable Trust	Moreau Benevolent	Mawby Memorial	Alfred Pretty	O.F. Scholarship	Bromage Scholarship	Wallace College	Framlingham Improvement	2016 TOTAL	2015 TOTAL
INCREASE										
Transfers of unspent Restricted Income & restricted donations	-	3	-	-	1	4	5	5	18	18,619
Net Gain on Sales of investments	-	-	-	-	-	-	-	-	-	11,278
	-	3	-	-	1	4	5	5	18	29,897
REDUCTION										
Net Loss on Sales of investments	17	50	11	1	23	76	110	74	362	-
	17	50	11	1	23	76	110	74	362	-
NET MOVEMENT										
Balances 1 st January 2016	5,374	16,669	3,777	460	4,166	23,955	33,775	23,020	111,196	81,299
Balances 31 st December 2016	5,357	16,622	3,766	459	4,144	23,883	33,670	22,951	110,852	111,196

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

10 FUNDS

Endowment Funds Revaluation Reserve	Balance 01.01.16	Reductions	Increases	Balance 31.12.16
SOF Charitable Trust	517	-	545	1,062
Moreau Benevolent	1,599	-	1,684	3,283
Mawby Memorial	359	-	378	737
Alfred Pretty Memorial	46	-	49	95
OF Scholarship	715	-	754	1,469
Bromage	2,439	-	2,568	5,007
Wallace Scholarship	3,527	-	3,716	7,243
Framlingham College Improvement	2,350	-	2,475	4,825
TOTAL	11,552	-	12,169	23,721

Endowment Funds excluding Revaluation Reserve	Balance 01.01.16	Income	Expenditure	Transfers	Balance 31.12.16
SOF Charitable Trust	5,374	-	(17)	-	5,357
Moreau Benevolent	16,669	-	(50)	3	16,622
Mawby Memorial	3,777	-	(11)	-	3,766
Alfred Pretty Memorial	460	-	(1)	-	459
OF Scholarship	4,166	-	(23)	1	4,144
Bromage	23,955	-	(76)	4	23,883
Wallace Scholarship	33,775	-	(110)	5	33,670
Framlingham College Improvement	23,020	-	(74)	5	22,951
	111,196	-	(362)	18	110,852

Income is the fund's share of realised gains made within the Amalgamated Investment Fund. Transfers are from/(to) restricted income funds and consist of accumulation income and income used to buy more investments.

The purpose for which each fund is held is explained within the Trustees' Report – see page 3.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

10 FUNDS - continued

Restricted Funds	Balance 01.01.16	Income	Expenditure	Transfers	Balance 31.12.16
Income					
SOF Charitable Trust	3,130	315,505	(487,547)	1	(168,911)
Moreau Benevolent	2,247	1,295	(1,330)	(4)	2,208
Mawby Memorial	184	128	(157)	(1)	154
Alfred Pretty Memorial	225	16	(29)	-	212
OF Scholarship	708	10,779	(10,799)	(1)	687
Bromage	938	858	(970)	(3)	823
Wallace Scholarship	2,055	1,343	(718)	(6)	2,674
Framlingham College Improvement					
	10,105	15,801	(19,211)	(4)	6,691
	<u>19,592</u>	<u>345,725</u>	<u>(520,761)</u>	<u>(18)</u>	<u>(155,462)</u>

The donation of £500,000 to Framlingham College for their new sports pavilion would not have been possible in its entirety without the generous support of the Society of Old Framlinghamians, who made good the shortfall in our funds by giving the charity a twenty five year, interest free loan. Most of the donation was funded through the SOF Charitable Fund resulting in a deficit at the year end of £168,911. As the deficit on this fund exceeds the assets of the remaining funds, the charity has an overall deficit of £20,889. The Trustees wish to reiterate that the deficit is covered by the long term loan from the Society of Old Framlinghamians and to point out that the deficit on the SOF Charitable Fund will have no effect on the administration of the other funds. It is the Trustees intention to repay the loan from future donations. That income can fluctuate from year to year is acknowledged in the loan agreement, which permits annual repayments to be varied depending on the level of income in the year, with the loan period extendable at no additional cost if required.

11 ANALYSIS OF NET ASSETS BY FUND

	Restricted Income Funds	Expendable Endowment Funds	Balance 31.12.16
Investments	1	134,573	134,574
Current Assets	18,929	-	18,929
Current Liabilities	(205)	-	(205)
Loan	<u>(174,187)</u>	<u> </u>	<u>(174,187)</u>
Total net assets	<u>(155,462)</u>	<u>134,573</u>	<u>(20,889)</u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

12 FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>134,574</u>	<u>122,748</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>174,392</u>	<u>-</u>

13 FUTURE COMMITMENTS

MOREAU SCHOLARSHIPS

The Trustees agreed in 2004 to set up a maximum of two Moreau scholarships per year from 2006. Each scholarship was originally set up to run for three years at a level of £800 per year. However, in 2015 the award was increased to £1,000 per year. There is, therefore, a future commitment to pay £4,000 in 2017 and £2,000 in 2018 for awards already made, provided award conditions are met.

BROMAGE SCHOLARSHIP FUND

Provided all the conditions are met, the Trustees have a future commitment to pay the second tranche of the Bromage Scholarship of £250 in 2017.

OF PRIZES

Provided all the conditions are met, the Trustees have a future commitment to pay future tranches of the OF Prizes amounting to £4,500 in 2017, £5,500 in 2018 and £3,250 in 2019 for awards already made.

14 TRUSTEES' REMUNERATION AND EXPENSES

The trustees are not remunerated. They are entitled to be paid expenses for attending meetings and duties directly relating to their duties as trustees. In 2016 no trustee was paid (2015: £nil) for travel and other expenses.

15 RELATED PARTY TRANSACTIONS

Awards totalling £505,000 were made during the year to Framlingham College of which two trustees, Mr. C. Essex and Mr. J. Ellerby, are governors. £500,000 was given to enable the building of a new sports pavilion and £5,000 was given for improvements to the College golf course.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2016**

16 INDEPENDENT EXAMINER'S FEE

Under the terms of the 2014 agreement between the Society and the College, the cost of the examination of these accounts is met by the College, for which the Trustees record their appreciation.

17 POST BALANCE SHEET EVENTS

None

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE
SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

I report on the accounts of the charity for the year ended 31 December 2016, which are set out on pages 8 to 20.

Your attention is drawn to the fact that the charity has prepared accounts 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 (FRS102), updated for Bulletin 1 on 2nd February 2016. The Financial Reporting Standard is in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has since been withdrawn.

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

Respective responsibilities of Trustees and Examiner

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

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

Barry Gostling
For and on behalf of ENSORS Accountants LLP

20th March 2017

Cardinal House,
46 St. Nicholas Street,
Ipswich, Suffolk,
IP1 1TT.