SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2018

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

Charity Registration No. **1158435**

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

Report and Financial Statements

For the year ended 31st December 2018

CONTENTS

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Report and Financial Statements

For the year ended 31st December 2018

Legal and Administrative Information

CHARITY STATUS

The Society of Old Framlinghamians 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 the 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	Second term to 31st March 2021
J N Ellerby	First term to 31st March 2019
M D Smy	Second term to 31st March 2022
P C Howard-Dobson	First term to 20th April 2021

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 2018

Trustees' Report

The Trustees have pleasure in presenting their report and financial statements for the year ended 31st December 2018.

TRUSTEES

The Trustees of the Charity who served throughout the year are listed on page 2. As from 21st April 2017 when the founding deed was amended the Trustees, who shall normally be those individuals acting as trustees for the time being of the Society of Old Framlinghamians, 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 Framlinghamians 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 and by providing funds towards the maintenance of its buildings and sports facilities;to provide financial relief to former students and staff of the College; and to fund any other need deemed by the Trustees to be in keeping with the aforementioned aims or those listed below.

2) Wallace and Old Framlinghamian Scholarship Funds
   To provide scholarships to both pupils at and leavers from Framlingham College and Framlingham College Prep School (referred hereinafter as "FCPS").

3) Alfred Pretty and Mawby Memorial Funds
   To provide prizes to members of Framlingham College and FCPS.

4) Bromage Memorial Fund
   To provide, in the first instance, prizes for sporting excellance to members of FCPS and, secondly, to provide bursaries for sporting activities to current or former students.

5) Framlinghamian College Improvement Fund
   To provide funds for the improvements to the buildings and facilities at Framlingham College and FCPS.

6) Moreau Benevolent Fund
   To provide for the welfare of past and present members of Framlingham College and FCPS and their families.

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

At the January meeting of the Trustees with the Society's Investment manager, we were informed that, as a result of the Markets in Financial Instruments Directive (MiFID) as revised by MiFID II, Investec would no longer be able to provide advisory management to the Society. The administrative burden of complying with the new regulations was too onerous. The alternative was to move discretionary management whereby Investec would become responsible for the choice of the investments in the Society's portfolio, subject to a revised investment policy and benchmarks. It was this route that the Trustees chose.

Under the revised investment policy, the Trustees seek a balanced return over a 10 year+ period between income and growth, based on Investec's Medium Risk approach. The change in emphasis away from income to one encompassing growth allowed Investec to select an alternative range of investments. The change permitted the Trustees to realize a substantial amount of the accrued capital gains. A more detailed review of investments is given below.

The other significant event in the year was the receipt of a generous donation of £47,820 from the Society of Old Framlinghamians over and above their normal support; and a further donation of £10,000 from an OF. These donations together with other money received in the year enabled the Trustees to repay a £50,000 tranche of the long term loan.

Accounts

The Statement of Financial Activities (**SOFA**) reflects the aforementioned donation as the charity ended the year with a surplus of £30,660 before gains or losses (2017: £(3,068)). This is all the more noteable as the Concessionary Loan Finance Charge was a substantial £29,980 (2017: £5,225) following the loan repayment, which accelerated the write back of the deemed benefit of paying the loan back in currency subject to inflation.

The restructuring of our investments to put greater emphasis on growth has reduced dividend income this year from £4,227 to £3,488. In view of the cash balances the charity holds, the Trustees do not envisage having to realise capital in order to fund existing commitments.

As touched upon above, the Trustees realised gains of £21,253 (Note 10) when Investec revised the portfolio following the change to discretionary management. Unfortunately, these were more than offset by the loss in value when the stockmarket slumped during the latter part of the year with the result that the portfolio ended the year £10,370 down at £132,001 (2017: £142,371).

The Trustees wish to thank all those members who completed gift aid declarations during the year as this enabled them to claim additional funds from HMRC.

Trustees' Report - continued

REVIEW OF THE YEAR – continued

Accounts - continued

Whilst the Balance Sheet remains skewed by the loan, the Trustees are pleased that it no longer shows a negative value. Reserves are considered adequate for the level of activity currently undertaken.

Investments

These have once again been managed by Investec and the value of our investments has fallen over the year to £132,001. The total return achieved by Investec was -5.8% over the last year. Investec had held a slightly overweight position in overseas equities and a slightly underweight position on UK equities and fixed income.

As mentioned earlier, a revised Investment Policy Statement was agreed and effective from 11 June 2018 and by the end of June 2018 the portfolio had been reconfigured to comply. Since that time the portfolio has delivered a total return above benchmark.

Grants and Awards

Grants and awards totalled £19,855 during 2018. In addition to the OF Prizes described in more detail below, the Charity gave financial assistance to a pupil to go on a Rugby tour of Italy and Croatia and supported another in attending the Manhattan School of Music. A more unusual award was made to a current pupil, Magdalena Mikovic, to enable her to have her novel, about a young girl surviving anorexia, translated from her native Serbian into English.

Other grants included £3,500 for new cricket screens at the College and £287 for trophies to be awarded in support of girls cricket at FCPS.

As in recent years 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. At the end of 2018, to mark third anniversary of the first awarding of these prizes in 2015, the trustees were undertaking a review of their effectiveness.

Trustees' Report - continued

Grants and Awards - continued

All these awards are in addition to those given for 2 Moreau Leaving Scholarships each year of £1,000 per annum for 3 years, making an outlay of £6,000 in total per annum.

Rules and Policies

The Trustees review the charity's policies, procedures and objectives on a regular basis and implement any changes found necessary to comply with current legislation or improve the work of the charity.

STATEMENT OF TRUSTEES' RESPONSIBILITES

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

C.R. Essex
Trustee
6 April 2019

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST
Report and Financial Statements

For the year ended 31st December 2018
Statement of Financial Activities

	Notes	Unrestricted Income	Restricted Income	Expendable Endowment	2018 TOTAL	*2017 TOTAL*
INCOME and ENDOWMENT from	3					
Donations and Legacies		64,431	13,895	-	78,326	*18,396*
Investments		174	3,340	-	3,514	*4,237*
Other		-	-	-	-	-
TOTAL INCOME		64,605	17,235	-	81,840	*22,633*
EXPENDITURE on	3					
Raising Funds						
Investment Management		57	1,223	-	1,280	*1,187*
Concessionary Loan Finance Charge	5	-	29,980	-	29,980	*5,225*
Charitable Activities	4	2,077	17,778	-	19,855	*19,289*
Other			64		64	-
TOTAL EXPENDITURE		2,134	49,045	-	51,179	*25,701*
NET INCOME/(EXPENDITURE) before investment gains or losses	3	62,471	(31,811)	-	30,660	*(3,068)*
OTHER RECOGNISED GAINS/(LOSSES)						
Net Gains/(Losses) on Investments		-	-	(10,399)	(10,399)	*7,797*
NET INCOME/(EXPENDITURE)		62,471	(31,811)	(10,399)	20,262	*4,729*
TRANSFERS BETWEEN FUNDS	11	(62,471)	62,441	30	-	-
NET MOVEMENT IN FUNDS		-	30,631	(10,369)	20,262	*4,729*
Balances as at 1st January 2018		-	(158,530)	142,370	(16,160)	*(20,889)*
Balances as at 31st December 2018	12	-	(127,899)	132,001	4,102	*(16,160)*

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

Report and Financial Statements

For the year ended 31st December 2018

Balance Sheet

	Notes		2018		*2017*
		£	£	£	£
ASSETS					
FIXED ASSETS					
Investments	**6**		132,001		*142,371*
CURRENT ASSETS					
Cash at Bank	**7**	31,493		*20,881*	
		31,493		*20,881*	
LIABILITIES					
Creditors: Amounts falling due within one year	**8**	-		-	
		-		-	
NET CURRENT ASSETS			31,493		*20,881*
Creditors: Amounts falling due after more than one year	**9**		(159,392)		*(179,412)*
TOTAL NET ASSETS/(LIABILITIES)			4,102		*(16,160)*
REPRESENTED BY:					
CAPITAL					
TRUST CAPITAL FUNDS					
Expendable Endowment	**10**	132,800		*111,517*	
Revaluation Reserve	**11**	(799)		*30,853*	
			132,001		*142,370*
TRUST INCOME FUNDS					
Restricted			(127,899)		*(158,530)*
	12		4,102		*(16,160)*

The Financial Statements were approved on 6 April 2019 and signed on behalf of the Trustees by:-

C.R. Essex

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

Report and Financial Statements

For the year ended 31st December 2018

Cash Flow Statement

	Notes	2018 £	2018 £	2017 £	2017 £
Surplus/(deficit) for the year			20,262		*4,729*
Adjustments for:					
Notional income arising from concessionary loan		-		-	
Notional finance charge arising from concessionary loan		29,980		5,225	
Investment income recognised in SOFA		(3,514)		(4,237)	
Fair value (gains)/losses on investments		10,370		(7,797)	
Interest added to capital		-		-	
(Decrease)/Increase in creditors		-		*(205)*	
			36,836		*(7,014)*
CASH (ABSORBED BY)/ GENERATED FROM OPERATING			57,098		*(2,285)*
INVESTING ACTIVITIES					
Purchase of investments (AIF units)		-		-	
Dividends received		3,488		*4,227*	
Interest received		26		*10*	
			3,514		*4,237*
FINANCING ACTIVITIES					
Repayment of loan from Society of Old Framlinghamians		(50,000)		-	
			(50,000)		-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			10,612		*1,952*

Represented by:-

NET MOVEMENT IN CASH FUNDS	2018	2017	Change
	£	£	£
Deposit account	31,493	20,881	10,612
Current Account	-	-	-
	31,493	20,881	10,612

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2018

1 ACCOUNTING POLICIES

Basis of accounting

The Society of Old Framlinghamians Charitable Trust was created by a Trust Deed dated the 3rd June 2014 and registered in England and Wales under the Charities Act 1990 (Registered Number 1158435). The registered office is 12 Woodditton Road, Newmarket, Suffolk, CB8 9BQ.

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.

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

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

The Balance Sheet, which was overdrawn last year (2017: £(16,160)), is showing a small balance this year of £4,102. The assets of the charity are greatly diminished by the large creditor falling due after more than one year, being a loan from the Society of Old Framlinghamians of £159,392 (2017: £179,412). 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.

ACCOUNTING POLICIES - continued

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.

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 charity's aims; those given to a fund other than the SOF Charitable Fund are treated as restricted income upon receipt unless the donor specifically indicates that it should be treated as endowment; donations to the SOF Charitable Fund are treated as unrestricted income following a change in the charity's objects. 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 treated in a similar manner; namely, as unrestricted income for the SOF Charitable Fund and restricted income for the other funds.

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.

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.

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 2018

3 Detailed Statement of Financial Activities

	SOF Trust Unrestricted	Charitable Restricted	Moreau Benevolent	Mawby Memorial	Alfred Pretty Memorial	O.F. Scholarship	Bromage Memorial	Wallace Scholarship	Framlingham College Improvement	**2018 TOTAL**	***2017 TOTAL***
	£	£	£	£	£	£	£	£	£	£	£
INCOME											
Donations from SOF General Funds	48,710	-	-	-	-	12,200	287	100	-	61,297	*12,875*
Donations and Legacies from Members	15,721	-	104	-	-	532	-	-	672	17,029	*5,521*
Amalgamated Investment Fund Distributions	156	-	483	108	14	215	737	1,065	710	3,488	*4,227*
Interest	18	-	-	2	-	-	-	3	3	26	*10*
	64,605	**-**	**587**	**110**	**14**	**12,947**	**1,024**	**1,168**	**1,385**	**81,840**	***22,633***
EXPENDITURE											
Grants and awards	2,077	-	500	125	25	12,441	787	400	3,500	19,855	*19,289*
Stockbroker fees	57	-	177	40	5	79	270	391	261	1,280	*1,187*
Finance charges	-	29,980	-	-	-	-	-	-	-	29,980	*5,225*
Bank charges	-	-	-	-	-	64	-	-	-	64	-
	2,134	**29,980**	**677**	**165**	**30**	**12,584**	**1,057**	**791**	**3,761**	**51,179**	***25,701***
NET INCOME/(EXPENDITURE) before gains or losses	**62.471**	(29,980)	**(90)**	**(55)**	**(16)**	**363**	**(33)**	**377**	**(2,376)**	**30,661**	***(3,068)***
OTHER RECOGNISED GAINS											
Net Gains/(Losses) on Investments	-	(466)	(1,439)	(323)	(42)	(644)	(2,195)	(3,175)	(2,115)	(10,399)	*7,797*
NET MOVEMENT IN FUNDS	**62,471**	**(30,446)**	**(1,529)**	**(378)**	**(58)**	**(281)**	**(2,228)**	**(2,798)**	**(4,491)**	**20,262**	***4,729***
Balances 1st January 2018	**-**	**(164,108)**	**22,707**	**4,870**	**784**	**6,332**	**31,251**	**46,497**	**35,507**	**(16,160)**	***(20,889)***
Transfers	(62,471)	62,471	-	-	-	-	-	-	-	-	-
Balances 31st December 2018	**-**	**(132,083)**	**21,178**	**4,492**	**726**	**6,051**	**29,023**	**43,699**	**31,016**	**4,102**	***(16,160)***
Represented by:-											
Unrestricted Income											
Restricted Income	-	(138,388)	1,630	68	183	597	675	3,572	3,764	(127,899)	*(158,530)*
Expendable Endowment	-	6,341	19,659	4,448	547	5,503	28,516	40,371	27,414	132,799	*111,517*
Revaluation Reserve	-	(36)	(111)	(24)	(4)	(49)	(168)	(244)	(162)	(798)	*30,853*
	-	**(132,083)**	**21,178**	**4,492**	**726**	**6,051**	**29,023**	**43,699**	**31,016**	**4,102**	***(16,160)***

Notes to the Financial Statements

For the year ended 31st December 2018

4 GRANTS and AWARDS

Area	Grants to		Support	TOTAL	
	Individuals	Institutions	Costs	2018	2017
	£	£	£	£	£
Educational support	14,025	-	-	14,025	*12,500*
Educational buildings	-	-	-	-	*3,000*
Research	-	-	-	-	*375*
Sporting Activities	750	3,787	-	4,537	*3,250*
Welfare	-	-	-	-	-
Other	1,077	-	216	1,293	*164*
	15,852	3,787	216	19,855	*19,289*

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

5 INTEREST PAYABLE AND SIMILAR EXPENSES

Interest on financial liabilities measured at amortised cost:

	2018	2017
	£	£
Interest on other loans	29,980	5,225

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2018

6 INVESTMENTS

2018			At Market Valuation		
	Opening	**Additions**	**Disposals**	**Change in Valuation**	**Closing**
	£	£	£	£	£
Amalgamated Investment Fund					
Listed investments	140,328	92,293	(96,076)	(9,785)	126,760
Cash awaiting investment					5,241
					132,001
Allocation between funds					
SOF Charitable Trust					6,305
Moreau Benevolent					19,548
Mawby Memorial					4,423
Alfred Pretty Memorial					544
OF Scholarship					5,454
Bromage Memorial					28,347
Wallace Scholarship					40,128
Framlingham College Improvement					27,252
					132,001

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	2,644	-	-	-	-	2,644
	12,999	-	-	-	-	12,999

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Notes to the Financial Statements

For the year ended 31st December 2018

6 INVESTMENTS - continued

2017			*At Market Valuation*		
	Opening	***Additions***	***Disposals***	***Change in Valuation***	***Closing***
	£	£	£	£	£
Amalgamated Investment Fund					
Listed Investments	*133,371*	*10,436*	*(11,210)*	*7,731*	*140,328*
Cash awaiting investment					*2,043*
					142,371
Allocation between funds					
SOF Charitable Trust					*6,769*
Moreau Benevolent					*20,983*
Mawby Memorial					*4,746*
Alfred Pretty Memorial					*585*
OF Scholarship					*6,096*
Bromage Memorial					*30,536*
Wallace Scholarship					*43,294*
Framlingham College Improvement					*29,362*
					142,371

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2018

6 INVESTMENTS - continued

The ten largest holdings by value were:

		2018		*2017*
	£	%	£	%
Vanguard FTSE All-World Ucits	12,983	10.2	-	-
Finsbury Growth & Income Trust	9,964	7.9	*10,269*	*7.3*
Fundsmith LLP Equity Income	9,428	7.4	-	-
Artisan Partners Global Value Fund	9,152	7.2	-	-
Baillie Gifford Global Alpha Growth	8,699	6.9	-	-
Allianz Global UK Gilt Yield Income	7,068	5.6	-	-
iShares FTSE 100 Index	6,917	5.5	*15,911*	*11.3*
Liontrust Special Status	6,553	5.2	-	-
Jupiter UK Special Situations	6,254	4.9	-	-
Fidelity Money Builder Income	6,159	4.8	*6,516*	*4.6*
Bankers Investment Trust	-	-	*14,000*	*10.0*
BNY Mellon Newton Global Higher Income	-	-	*13,113*	*9.3*
Artemis Fund Income	-	-	*12,148*	*8.7*
Edinburgh Investment Trust Plc	-	-	*11,600*	*8.3*
Lazard Fund Managers Global Equity Income	-	-	*10,111*	*7.2*
Standard Life International Indexed Linked Bonds	-	-	*6,386*	*4.5*
Miton UK Multi Capital	-	-	*5,669*	*4.0*

The asset allocation at value was:

	2018	*2017*
	%	*%*
UK Fixed Interest	19.7	*13.9*
UK Equities	27.0	*39.1*
Foreign Fixed Interest	2.1	*8.2*
Foreign Equities	30.5	*26.2*
Property etc	4.1	*4.4*
Alternative Assets	12.6	*6.8*
Cash	4.0	*1.4*
	100.0	*100.0*

Amongst the holdings purchased following the move to discretionary management are three (2017 nil) which produce no income. Their total value is £11,661 which represents 9.2% of the portfolio.

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2018

7 CASH BALANCES

	Current	Deposit	**2018 Total**	*2017 Total*
SOF Charitable Trust	-	21,004	21,004	*8,535*
Moreau Benevolent	-	1,630	1,630	*1,724*
Mawby Memorial	-	68	68	*124*
Alfred Pretty Memorial	-	183	183	*199*
OF Scholarship	-	597	597	*236*
Bromage	-	675	675	*715*
Wallace Scholarship	-	3,572	3,572	*3,203*
Framlingham College Improvement	-	3,764	3,764	*6,145*
TOTAL	-	31,493	31,493	*20,881*

8 CREDITORS: Amounts falling due within one year

	UNRESTRICTED		**RESTRICTED**		**TOTAL**	
	2018	***2017***	**2018**	***2017***	**2018**	***2017***
Other Creditors	-	-	-	-	-	-
	-	-	-	-	-	-

9 CREDITORS: Amounts falling due after one year

	UNRESTRICTED		RESTRICTED		TOTAL	
	2018	***2017***	**2018**	***2017***	**2018**	***2017***
Unsecured borrowing at amortised cost						
Loan from related party	159,392	*179,412*	-	-	159,392	*179,412*
	159,392	*179,412*	-	-	159,392	*179,412*

The Charity was provided in 2016 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%. The difference of £189,553 was deemed to be the benefit of repaying the loan in currency subject to inflation and was credited to the SOFA as finance income. Each year part of this credit is written back in the SOFA as a finance charge and added to the loan balance above. This year the charge is substantially higher at £29,980 (2017: £5,225) because of the £50,000 loan repayment made. In effect the discounted value of the repayment is added to the annual finance charge. The balance on an amortised cost basis is £313,740 (2017: £363,740).

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 2018

10 CAPITAL ACCOUNT MOVEMENTS

	SOF Charitable Trust	Moreau Benevolent	Mawby Memorial	Alfred Pretty Memorial	O.F. Scholarship	Bromage	Wallace Scholarship	Framlingham College Improvement	**2018 TOTAL**	***2017 TOTAL***
	£	£	£	£	£	£	£	£	£	£
INCREASE										
Transfers of unspent Restricted Income & restricted donations	2	5	-	-	2	7	8	5	29	-
Net Gain on Sales of investments	952	2,941	661	85	1,316	4,486	6,489	4,323	21,253	*665*
	954	2,946	661	85	1,318	4,493	6,497	4,328	21,282	*665*
REDUCTION										
Net Loss on Sales of investments	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
NET MOVEMENT	954	2,946	661	85	1,318	4,493	6,497	4,328	21,282	*665*
Balances 1st January 2018	**5,387**	**16,713**	**3,787**	**462**	**4,185**	**24,023**	**33,874**	**23,086**	**111,517**	***110,852***
Balances 31st December 2018	**6,341**	**19,659**	**4,448**	**547**	**5,503**	**28,516**	**40,371**	**27,414**	**132,799**	***111,517***

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2018

11 FUNDS

Endowment Funds Revaluation Reserve	Balance 01.01.18	Realised in year	Reductions	Increases	Balance 31.12.18
SOF Charitable Trust	1,381	(979)	(438)	-	(36)
Moreau Benevolent	4,270	(3,026)	(1,354)	-	(110)
Mawby Memorial	959	(680)	(304)	-	(25)
Alfred Pretty Memorial	123	(87)	(39)	-	(3)
OF Scholarship	1,911	(1,354)	(606)	-	(49)
Bromage	6,513	(4,616)	(2,066)	-	(169)
Wallace Scholarship	9,420	(6,677)	(2,987)	-	(244)
Framlingham College Improvement	6,276	(4,448)	(1,990)	-	(162)
TOTAL	30,853	(21,867)	(9,784)	-	(798)

Endowment Funds ***excluding Revaluation Reserve***	Balance 01.01.18	Income	Expenditure	Transfers	Balance 31.12.18
SOF Charitable Trust	5,387	952	-	2	6,341
Moreau Benevolent	16,713	2,941	-	5	19,659
Mawby Memorial	3,787	661	-	-	4,448
Alfred Pretty Memorial	462	85	-	-	547
OF Scholarship	4,185	1,316	-	2	5,503
Bromage	24,023	4,486	-	7	28,516
Wallace Scholarship	33,874	6,489	-	8	40,371
Framlingham College Improvement	23,086	4,323	-	5	27,414
	111,517	21,253	-	29	132,799

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.

11 FUNDS - continued

Restricted Funds Income	Balance 01.01.18	Income	Expenditure	Transfers	Balance 31.12.18
SOF Charitable Trust	(170,876)	-	(29,980)	62,468	(138,388)
Moreau Benevolent	1,724	587	(677)	(4)	1,630
Mawby Memorial	124	110	(165)	(1)	68
Alfred Pretty Memorial	199	14	(30)	-	183
OF Scholarship	236	12,947	(12,584)	(2)	597
Bromage	715	1,024	(1,057)	(7)	675
Wallace Scholarship	3,203	1,168	(791)	(8)	3,572
Framlingham College Improvement	6,145	1,385	(3,761)	(5)	3,764
	(158,530)	17,235	(49,045)	62,441	(127,899)

The deficit on the SOF Charitable Trust arose from a donation of £500,000 to Framlingham College in 2016 for their new sports pavilion. The 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 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.

12 ANALYSIS OF NET ASSETS BY FUND

	Restricted Income Funds	Expendable Endowment Funds	Balance 31.12.18
Investments	-	132,001	132,001
Current Assets	31,493	-	31,493
Current Liabilities	-	-	-
Loan	(159,392)		(159,392)
Total net assets	(127,899)	132,001	4,102

13 FINANCIAL INSTRUMENTS

	2018	2017
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	132,001	*142,371*
Carrying amount of financial liabilities		
Measured at amortised cost	159,392	*179,412*

14 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 2019 and £2,000 in 2020 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 2019.

OF PRIZES

Provided all the conditions are met, the Trustees have a future commitment to pay future tranches of the OF Prizes amounting to £4,450 in 2019 and £2,650 in 2020 for awards already made.

15 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 2018 no trustee was paid (2017: £nil) for travel and other expenses.

16 RELATED PARTY TRANSACTIONS

Awards of £3,787 (2017: £3,000) were made during the year to Framlingham College of which two trustees, Mr. J. Ellerby and Mr. P. Howard-Dobson, are governors. £3,500 was for the cost of two cricket screens and £287 for cricket trophies.

A loan was granted to the charity in 2016 by the Society of Old Framlinghamians, which has trustees in common with the charity. Details of this are disclosed on Note 9.

17 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. The total amount of this is £3,612 (2017: £2,540).

18 POST BALANCE SHEET EVENTS

None

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Independent examiner's report to the Trustees of Society of Old Framlinghamians Charitable Trust

I report to the trustees on my examination of the accounts of the Society of Old Framlinghamians Charitable Trust (the Trust) for the year ended 31 December 2018.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of the independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Barry Gostling – FCCA
For and on behalf of ENSORS Accountants LLP
6 April 2019

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