

Charity Registration No. 276274

THE ROGER DE HAAN CHARITABLE TRUST

Annual Report and Financial Statements

5th April 2017

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

CONTENTS	Page
Legal and administrative information	3
Trustees' annual report	4 - 12
Independent Auditors' report	13 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the accounts	18-29

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Sir Roger De Haan (chairman)
Benjamin De Haan
Joshua De Haan
Lady Alison De Haan

Address

Strand House
Pilgrims Way
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Ashford
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Solicitor

Withers LLP
16 Old Bailey
London EC4M 7EG

Banker

National Westminster Bank plc
Europa House,
49 Sandgate Road
Folkestone CT20 1RU

Investment Manager

UBS
3 Finsbury Avenue
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Custodian

Northern Trust
50 Bank Street
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London E14 5NT

Auditor

Saffery Champness LLP
71 Queen Victoria Street
London
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THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Trustees' Annual Report

The trustees present their audited financial statements for the year ended 5th April 2017.

The financial statements have been prepared in accordance with the Charities Act 2011, and Statement of Recommended Practice “Accounting and Reporting by Charities” applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

Structure, Governance and Management

Constitution and Principal Activities

The Roger De Haan Charitable Trust (the “Trust”), a registered charity, was established under trust deed on 21 April 1978 (charity number 276274). Its principal activity is the making of charitable grants. The trust deed is the primary governing document of the charity. On 11 August 2017, the Charity Commission approved the Trust’s application to “incorporate the trustees”. This enables the Trust to hold property and to contract in the name of the Trust rather than in the names of trustees. The trustees made this application to simplify the registration of the Trust’s property interests.

Trustees

The trustees who served during the period were as follows:

Sir Roger De Haan (chairman)
Benjamin De Haan
Joshua De Haan
Lady Alison De Haan

Trustees are appointed by the chair of the trustees. The trustees are subject to training by various methods including involvement with other charities, advice from the Trust’s legal adviser and updates from the chartered accountant who is a member of the team which administers the Trust on a day to day basis.

Key Management

The key management decisions of the Trust are made by the board of trustees. In the execution of these decisions, the trustees are assisted by staff employed by Sir Roger De Haan. These staff provide their services at no charge to the Trust.

All trustees give of their time freely and no trustee received remuneration or expenses during the year.

Details of trustees’ related party transactions are disclosed in note 10 to the accounts.

Objects of the Trust

The objects of the Trust are widely drawn and permit the trust funds to be applied, at the discretion of the trustees, for exclusively charitable purposes. In approving charitable grants, the trustees consider each application on a case-by-case basis taking account of various factors such as the aims and objectives of the applicant and its financial position.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Public Benefit

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit in setting and monitoring the objectives of the Trust.

Grant Making Policy

The Trust's grant-making activity focuses principally on supporting institutions and initiatives with the charitable objectives set out below, taking account of the need to be able to demonstrate public benefit. The policy is used as a guide by the trustees and is not intended to set a rigid framework.

- The advancement of education
- The advancement of arts, culture or heritage
- The support of community development and the regeneration of areas of historic importance, principally in Folkestone and its surrounding area but also extending across the County of Kent
- The advancement of amateur sport
- The advancement of the health and welfare of older people
- The prevention and relief of poverty including support for deprived communities
- The advancement of environmental protection or improvement
- The relief of those in need by reason of ill-health, disability, financial hardship or other disadvantage

Operating and Financial Review

The financial result of the Trust for the year can be summarised as follows:

	Year ended 5 April	
	2017	2016
	£'000	£'000
Donations from Sir Roger De Haan	2,113	104
Investment income	410	381
Grant income	7	219
Other	94	91
	2,624	795
Grants and donations	(7,523)	(3,318)
Other expenditure	(508)	(796)
Net outgoing resources	(5,407)	(3,319)
Investment and other gains	2,171	3,704
(Deficit) /surplus for the year	(3,236)	385

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Charitable Grants

2016/17 saw a continuation of a high level of grant making by the Trust. These high levels of expenditure have been made possible by the continuing financial support of Sir Roger De Haan who has made donations in excess of £25 million to the Trust over the past ten years. Sir Roger gifted £2.1 million to the Trust in the current financial year.

During the past year the Trust made charitable grants amounting to £7.5 million, (2016 - £3.3 million). Of the £7.5 million grants made, £7.1 million (94%) was granted to charitable causes in Folkestone and the surrounding area.

There were in excess of 100 grants made during the year supporting a very broad range of charitable activities. Full details are included in note 16 to this annual report. Total grants made by charitable sector were as follows:

- Arts £919,000
- Overseas Charitable Activities £274,000
- Sport £5,759,000
- Health and Welfare £175,000
- Education £36,000
- Community Development £323,000
- Heritage Initiatives £34,000

The Trust provided significant support to the following during the year:

(i) Creative Foundation

The Trust continued to provide substantial support to the Creative Foundation, a registered charity based in Folkestone.

The Creative Foundation is an arts charity dedicated to producing and enabling creative activity in order to improve Folkestone and the surrounding area of Kent. Working with the people of Folkestone, their partners and other stakeholders, it aims to make the town a better place to visit and in which to live work, and study.

The Trust acquires and refurbishes properties in the Creative Quarter and then grants long leases to the Creative Foundation at a peppercorn rent at which point the property is expensed as a donation in the Trust's accounts.

The Creative Foundation lets the refurbished buildings at affordable rents to artists, education providers and a wide range of creative and other organisations. Since the launch of this initiative, the Trust has spent £40.3 million in acquiring and refurbishing those properties. The property acquisition stage is complete and plans are in place to complete the refurbishment and partial re-building of the final three properties over the next two years.

This programme has helped the Creative Foundation to become self-sustaining in financial terms with its rental income from the properties more than covering its operating costs. This legacy will endure for many years to come and provides the funding to enable the Creative Foundation to both maintain the properties and deliver its charitable objectives.

THE ROGER DE HAAN CHARITABLE TRUST

Year ended 5th April 2017

(ii) Folkestone Triennial

The Trust is the principal funder of the Folkestone Triennial which was established in 2008 and is run by the Creative Foundation. This is a major exhibition of contemporary art in the public realm which is open to the public at no charge. The fourth Triennial is taking place over the period September to November 2017. During the year the Trust provided funding of £667,000 for the 2017 event.

The Triennial is now recognised as a major art exhibition. One of the enduring benefits of this programme has been the creation of one of the best and most intriguing contemporary public art collections in the UK.

There are in excess of fifty permanent works placed around the town for people to enjoy.

(iii) The Red Cross -KwaZulu Natal Programme

Since 2006, the Trust has provided £12 million of grant funding in support of an HIV and TB Programme operated by the South African Red Cross Society in KwaZulu-Natal. The programme has been a great success and is having a major impact on the fight against HIV and TB in rural South Africa.

South Africa is home to the world's largest population of people living with HIV (7.1 million in 2016) and KwaZulu-Natal is the province most affected. South Africa also has one of the world's highest rates of TB and people with HIV have a far higher risk of developing the disease. As TB is becoming increasingly aggressive it poses even more of a challenge, although it is preventable and curable. This tragedy is further exacerbated by poverty as well as a lack of education and understanding of the causes of these epidemics. Through the Trust's support, the South African Red Cross has been able to provide a holistic approach to reducing people's vulnerability to HIV and TB and to help those infected and affected by these diseases. With 161 staff and 1,334 paid volunteer care givers, the programme is now directly supporting over 56,000 people - including 28,227 orphans and vulnerable children - with hundreds of thousands being reached through educational messages and campaigns.

Over the last 10 years the HIV landscape in South Africa has changed dramatically and the programme has evolved accordingly and in line with national and global strategies on HIV and TB. It provides a wide range of assistance that includes: basic nursing care; practical and emotional support; transport and access to testing and treatment; food parcels and nutrition advice; advocacy and help to access government grants; food gardens; and income-generating activities. Getting more people tested and on treatment is critical and the programme is also supporting community testing schemes as well as adherence clubs for those on medication. Education is a key element of the programme and 685 peer educators deliver hugely successful sessions to young people on issues such as HIV, TB, sexual health and reducing stigma and discrimination as well as addressing teenage pregnancy which is a major concern.

The following statistics extracted from the most recent Annual Report of the project provide an insight into the extent and scale of the project's reach over the past year:

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

- 696,578 people were reached through prevention messages
- Peer educators reached 315,150 young people through awareness sessions
- 1,651,997 male and 316,885 female condoms were distributed
- 261,447 people attended advocacy sessions dealing with gender based violence which is a significant driver of HIV transmission
- 8,564 pregnant women were supported by the Prevention of Mother to Child Transmission Programme, thereby helping their babies to be born free of HIV
- 28,001 clients benefited from the transport fund which has proved to be a lifeline for vulnerable communities in rural areas who need to visit medical centres.
- 67,622 people were referred and tested for TB
- 189,463 people were referred for HIV testing
- 8,381 adults and 7,844 orphans and vulnerable children attended psycho-social support groups
- 2,391 government welfare grants were successfully applied for and received

The Trust has recently agreed to an extension of its support for the Red Cross HIV and TB programme in South Africa through to the end of June 2019.

(iv) Sport

Support of amateur sport continues to be a key focus of the Trust. Over the course of the past 10 years, the Trust has made grants of almost £17 million to further the development of sport in Folkestone and the surrounding area. During the current year, the Trust helped a wide range of sports including, basketball, running, cricket, tennis, water-sports and disabled riding. The trustees place particular emphasis on supporting initiatives in Folkestone and the surrounding area. As well as advancing amateur sport, this also assists the wider regeneration of the town.

The Trust continues to be the principal funder of the Shepway Sports Trust (“SST”), a charity established at the instigation of the Trust to encourage the development of sport in the Folkestone district. It has a particular focus on encouraging local schools to develop a broad and regular programme of sport and it promotes high quality competition, sporting and coaching opportunities. Its key aim is to connect schools, sports clubs and the community of Shepway with the purpose of inspiring all generations to lead healthy and active lifestyles

During the year the Trust entered into a funding agreement with SST to facilitate the construction of a multi-storey sports building in the centre of Folkestone. The funding package comprises of a charitable grant together with a long-term loan on favourable terms.

The building will provide locals and visitors with the opportunity to engage in a range

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

of sports, including skateboarding, BMX, boxing, climbing and bouldering. Each of its floors will offer a different experience and have distinctive features suited to different skills and abilities. The site will also provide a new home for Folkestone Amateur Boxing Club. In addition to several floors of sporting activity, there will be a cafe and a function space that can be hired for special events.

The amount of £5.73 million shown as a donation to SST in the accounts for the year includes £4 million relating to a grant commitment made to SST during the year, the cost incurred by the Trust in acquiring the site and costs associated with the early stages of the project. The land acquired by the Trust has been let to SST on a long-term lease at a peppercorn rent.

In addition, the Trust donated a further £367,000 to support SST's on-going charitable activities.

(v) Community Development

Support for its local community continues to be a key focus of the Trust's activities, particularly at a time when there is less funding available from government agencies.

The Trust recognises the importance to the well-being of the local community of the commitment, enthusiasm and efforts of the many voluntary groups which operate within the area.

During the year, the Trust supported a diverse range of community bodies and events including local festivals, fetes, churches, village halls, scout/girl guides and other volunteer groups.

This year, the Trust granted £55,000 to the Radnor Park playpark project in Folkestone. Along with other funders this led to the successful opening of a playground which has proven very popular. This brings the Trust's total contribution to £1.8 million across 22 playpark projects in Folkestone and the surrounding area in the last 10 years. It remains a key tenet of community support working with local groups and councils.

The Trust is participating in a three year programme to coach and support school students most at risk of becoming NEET (not in employment education or training). The programme is coordinated by the Kent Community Foundation and is being funded by the Trust and five other organisations. The Trust's commitment amounts to £120,000 over three years. This initiative is a good example of how different organisations can work together and pool resources to achieve a common charitable objective.

Working in partnership with the Folkestone Baptist Church the Trust continues to fund an outreach worker to assist in the most deprived part of Folkestone. This includes youth, health, education and other community support programmes

The Activities Rehabilitation and Respite Centre is in the heart of the Creative Quarter in Folkestone and attracted further funding from the Trust. They assist those with physical and mental disabilities with therapy through engaging with the arts.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

(vi) Arts

In addition to the Triennial project and its support for the Creative Foundation referred to earlier in this report, the Trust has supported a number of other arts organisations and initiatives. A full list of arts beneficiaries is set out in Note 16 to these accounts.

The Trust continued to fund a programme to provide educational bursaries for talented children from poorer backgrounds living in Folkestone and the surrounding area, who otherwise would not be able to pursue an arts-based further education programme. Bursaries paid during the year amounted to just over £26,000 bringing the total paid to date to well in excess of £200,000.

Investment Matters and Other Gains

Stock-markets rose during 2016/17 and so it is no surprise that the portfolio made investment gains of £2.2 million for the year.

Total investment return for the year was 15.9% which was slightly ahead of the Trust's portfolio benchmark of 15.7%. Positive performances from equities and bonds were offset by a slight under-performance on property investments.

The Trust's approach of placing its portfolio in a range of investments which is diversified both geographically and by asset class has served it well.

Interest rates remain at record lows although company dividend payments are increasing. The Trust's investment portfolio delivered an average net yield of just under 2.4% which was slightly ahead of last year. Investment income for the year amounted to £410,000 compared with £381,000 last year, reflecting higher average investment balances and slightly higher yields.

Investment Policy

The investment management function is performed by UBS which advises the trustees and executes all investment transactions on behalf of the Trust. In setting its investment policy, the Trust's objective is to adopt a level of risk of no higher than moderate. The aim is to preserve capital whilst delivering real long-term growth in the investment portfolio.

In conjunction with UBS, the Trust has agreed the following target investment asset allocation:

	%
Equities	60
Bonds and cash	32
Property	8
	<hr/>
	100

Bond investments are restricted to institutions holding a pre-determined minimum credit rating of "A". The level of concentration of risk to any one institution is kept under regular review.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Plans for Future Periods

The trustees anticipate that forthcoming periods will see a continuation of the practice of making a large number of donations to a diverse range of charitable bodies. Institutions based in Folkestone and the surrounding community will continue to be widely supported.

2017-18 will see the commencement of construction work on the multi-storey sport facility referred to above and the final stages of the Creative Quarter regeneration project will be progressed. The Trust has also recently agreed to support the Red Cross HIV & Aids and TB programme in South Africa through to June 2019. Future funding for this project is to be on a “matched funding” basis to encourage a transition to sustainability through support from local companies, institutions and other supporters in South Africa.

Reserves Policy

The trustees consider that the reserves comprise the general and expendable endowment funds. Whilst not setting a specific target, the policy of the trustees is to maintain a level of reserves that will provide a stable base from which to fund the Trust’s future grant-making activity whilst ensuring that excessive funds are not accumulated. The trustees are satisfied that the Trust’s reserves are sufficient for its current purposes. There are no restrictions on the purposes for which the Trust’s reserves may be used. Total reserves as at 5 April 2017 were £23.6 million (2016: £26.9 million)

Risk Management

The trustees have examined the major risks which the Trust faces and have put in place systems, policies, procedures and controls in order to manage and mitigate these risks. All risks are set out in a risk register which is regularly reviewed by trustees. Appropriate insurances are in place.

The principal risk and uncertainty faced by the Trust relates to its investment portfolio both in terms of market related risk and loss of funds. The Trust mitigates this potential risk by appointing a reputable investment manager, the use of a separate independent custodian, regular monitoring of investment activity and reporting and ensuring that the investment asset allocation remains appropriate.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

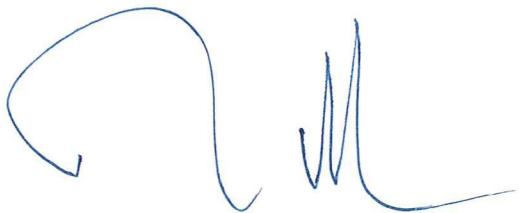
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

THE ROGER DE HAAN CHARITABLE TRUST

Year ended 5th April 2017

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A handwritten signature in blue ink, appearing to read "Sir Roger De Haan". The signature is fluid and cursive, with a large, open loop on the left and more vertical strokes on the right.

Sir Roger De Haan
On behalf of the Trustees on *9 October 2017*

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Independent Auditors' Report to the Trustees

We have audited the financial statements on pages 15 to 29. 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 Financial Reporting Standard FRS 102.

Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under the Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 5 April 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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.

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants and Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

24 October 2017

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted Funds		Total	Total
		General Fund	Expendable Endowment	Funds	Funds
		2017	2017	2017	2016
	Note	£'000	£'000	£'000	£'000
Income and endowments from					
Donations and legacies					
Sir Roger De Haan		2,113	-	2,113	104
Grants	15	7	-	7	219
Donated services		94	-	94	91
Investments	4	410	-	410	381
		<u>2,624</u>	<u>-</u>	<u>2,624</u>	<u>795</u>
Expenditure on					
Raising funds					
Investment management costs		35	-	35	34
Charitable activities	12	7,996	-	7,996	4,080
		<u>8,031</u>	<u>-</u>	<u>8,031</u>	<u>4,114</u>
Net expenditure before transfers and investments		(5,407)	-	(5,407)	(3,319)
Gains/(losses) on investments		-	2,158	2,158	(686)
Net (expenditure)/income		<u>(5,407)</u>	<u>2,158</u>	<u>(3,249)</u>	<u>(4,005)</u>
Transfer from Expendable Endowment		<u>5,407</u>	<u>(5,407)</u>	<u>-</u>	<u>-</u>
		-	(3,249)	(3,249)	(4,005)
Gains on disposal of fixed assets		-	-	-	4,379
Exchange gains	14	-	13	13	11
Net movement in funds		-	(3,236)	(3,236)	385
Balance brought forward		-	26,872	26,872	26,487
Balance carried forward		<u>-</u>	<u>23,636</u>	<u>23,636</u>	<u>26,872</u>

All amounts derive from continuing operations.

The trust has no recognised gains or losses other than the amounts included in the net movement in funds.

The notes on pages 18 to 29 form part of these financial statements.

THE ROGER DE HAAN CHARITABLE TRUST
As at 5th April 2017

BALANCE SHEET

	Note	Unrestricted Funds			Total Funds 2017	Total Funds 2016
		General Fund 2017	Expendable Endowment 2017	Total Funds 2017		
		£'000	£'000	£'000		
Fixed assets						
Tangible assets	5	-	7,838	7,838	7,746	
Investments	6	-	18,476	18,476	15,829	
			<u>26,314</u>	<u>26,314</u>	<u>23,575</u>	
Current assets						
Programme related investments	7	-	2,067	2,067	100	
Debtors	8	-	210	210	172	
Cash at bank		-	-	-	4,963	
		<u>-</u>	<u>2,277</u>	<u>2,277</u>	<u>5,235</u>	
Current liabilities						
Creditors: Amounts falling due within one year	9	-	(875)	(875)	(1,898)	
Net current assets/(liabilities)		-	1,402	1,402	3,337	
Creditors: Amounts falling due after more than one year						
Donations payable	9	-	(4,080)	(4,080)	(40)	
Total assets		<u>-</u>	<u>23,636</u>	<u>23,636</u>	<u>26,872</u>	
Financed by:						
Unrestricted funds :						
General					-	
Expendable endowment				<u>23,636</u>	<u>26,872</u>	
				<u>23,636</u>	<u>26,872</u>	

The notes on pages 18 to 29 form part of these financial statements.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

These financial statements were approved by the Board of Trustees on *9 October 2017*

and signed on its behalf by:

Sir Roger De Haan

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

STATEMENT OF CASH FLOWS

	2017 £'000	2016 £'000
Cashflow from operating activities:		
Net cash (used in)/provided by operating activities Note 1	(5,564)	(2,662)
Cash flows from investing activities:		
Income from investments	410	384
Purchase of fixed assets	(1,440)	(1,730)
Proceeds from the sale of fixed assets	-	5,478
Payments to acquire investments	(4,158)	(4,883)
Proceeds from the sale of investments	<u>5,507</u>	<u>5,862</u>
Net cash flows provided by/(used in) investing activities	<u>319</u>	<u>5,111</u>
Change in cash and cash equivalents in the reporting period	<u>(5,245)</u>	<u>2,449</u>

	2017 £'000	2016 £'000	2017 movement in cash £'000	2016 movement in cash £'000
Bank deposit account	(114)	4,963	(5,077)	3,823
Short term deposits	<u>595</u>	<u>763</u>	<u>(168)</u>	<u>(1,374)</u>
	<u>481</u>	<u>5,726</u>	<u>(5,245)</u>	<u>2,449</u>

	2017 £'000	2016 £'000
Note 1: Reconciliation of net income/(expenditure) to net cash (used in)/provided by operating activities		
Net movement in funds for the reporting period	(3,236)	385
Adjustments for:		
Depreciation	163	156
Depreciation on transferred property	1,371	632
Net Losses/(gains) on investments	(2,158)	686
Investments donated by Sir Roger De Haan	(2,006)	-
Gain on disposal of fixed assets	-	(4,379)
Investment income	(410)	(381)
(Increase)/decrease in programme related investments	(1,967)	100
(Increase)/decrease in debtors	(38)	309
Increase/(decrease) in creditors	<u>2,717</u>	<u>(170)</u>
Net cash (used in)/provided by operating activities	<u>(5,564)</u>	<u>(2,662)</u>

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Notes to the Financial Statements

1 Accounting policies

The financial statements are 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 in the UK and the Republic of Ireland (FRS102) issued on 16 July 2014. The particular accounting policies adopted by the trustees are described below.

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments to market value.

The Trust constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Trust.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Fund accounting

The charity maintains unrestricted funds representing unrestricted income and capital which are expendable at the discretion of the trustees in the furtherance of the objects of the charity. Donations received where the donor earmarks the funds for a specific purpose are allocated to a separate restricted fund.

When a deficit arises on the general fund, an equivalent amount is transferred from expendable endowment to offset the deficit.

Expenditure

All expenditure is accounted for on an accruals basis. Liabilities are recognised as revenues expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure.

Cost of charitable activities

This comprises all expenditure relating to the objectives of the Trust.

Grants and donations are accounted for when the trustees have accepted a legal or constructive obligation to make the grant.

Governance costs

These include those costs associated with meeting the constitutional and statutory requirements of the Trust, and are included within support costs, as shown in note 12. A breakdown of these costs is analysed in note 13.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Income

Donations and legacies are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the charity is considered probable.

Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the charity in the case of donated services or facilities.

Investment income is accounted for when receivable.

Financial instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. The Trust has selected 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.

Impairment of tangible fixed assets

Assets are reviewed for impairment, if events or changes in circumstances indicate that the carrying amount may not be recoverable. Shortfalls between the carrying value of the assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments in the Statement of Financial Activities.

Investments

Investments are stated at market value at the balance sheet date.

Property leases

In cases where the Trust grants long leases of its property to other charities at a peppercorn rent, the net book value of the relevant property is reduced to nil.

Programme related investments

Programme related investments represent charitable loans made to the Creative Foundation and to Shepway Sport Trust. These loans are initially recognised and measured at the amounts paid, with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary for any impairment. No interest is charged on programme related investments.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

Accounting policies (continued)

Depreciation

Depreciation is calculated to write off the cost of fixed assets on a straight line basis over their estimated useful lives at the following rates:

Buildings - 2% per annum

Heritage assets – nil

2 Critical accounting judgements and key sources of estimation uncertainty

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 and in future periods where necessary.

Donated Services

One of the estimates within these accounts relates to the value attributed to staff costs. The methodology adopted takes the percentage of each staff member's time taken up on trust matters, multiplied by an average staff cost.

3 Taxation

As a registered charity, the Trust is not subject to corporation tax since it does not trade for tax purposes.

4 Investment income	2017	2016
	£'000	£'000
Equity investments	309	277
Fixed interest investments	42	62
Property investments	49	34
Interest on cash balances	10	8
	<hr/>	<hr/>
	410	381

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

5 Tangible fixed assets	Heritage Assets	Freehold Land & Buildings	Total
	£'000	£'000	£'000
Cost			
At 6 April 2016	84	40,497	40,581
Additions	29	1,597	1,626
At 5 April 2017	113	42,094	42,207
Depreciation			
At 6 April 2016	-	32,835	32,835
On properties transferred (refer to footnote)	-	1,371	1,371
Charge for the year	-	163	163
At 5 April 2017	-	34,369	34,369
Net book amount At 5 April 2017	113	7,725	7,838
Net book amount At 5 April 2016	84	7,662	7,746

Land and buildings are acquired primarily for the purposes of making the properties available for use by other charitable organisations.

Heritage assets comprise of publicly exhibited artworks and are stated at cost. Of the total of £113,000, £29,000 was acquired in the current year, £15,000 in 2015/16, £22,000 in 2014/15, £21,000 in 2012/13 and £26,000 in 2011/12. There were no disposals during the last six years. The Trust makes arrangements for the curation and insurance of the artworks.

The Trust also owns a number of other publicly exhibited artworks that were acquired in prior periods. The Trustees have considered the significant cost of obtaining a value of these assets and concluded that it is excessive when compared to the benefit derived by the users of the accounts.

Included within depreciation is an amount of £1,371,000 (2016: £ nil) in relation to property transferred to Shepway Sports Trust by way of charitable grant during the year.

No depreciation is charged on the cost of land (£1.87 million).

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

6	Investments	2017 £'000	2016 £'000
At Cost:			
	Opening balance	14,452	15,550
	Additions	6,164	4,883
	Sale proceeds	(5,507)	(5,862)
	Realised profit/(loss) on sale	578	(119)
	Closing balance	<u>15,687</u>	<u>14,452</u>
	Cash held on deposit	595	763
	Total investments at cost	<u>16,282</u>	<u>15,215</u>
At market value:			
	Equity investments	12,446	9,600
	Fixed interest investments	4,049	4,058
	Property investments	1,386	1,408
		<u>17,881</u>	<u>15,066</u>
	Cash held on deposit	595	763
		<u>18,476</u>	<u>15,829</u>
Movements in investments at market value			
	Market value as at 6th April 2016	15,066	16,731
	Additions	6,164	4,883
	Sale proceeds	(5,507)	(5,862)
	Investment gains/(losses)	2,158	(686)
		<u>17,881</u>	<u>15,066</u>
	Cash held on deposit	595	763
	Total investments at market value	<u>18,476</u>	<u>15,829</u>

7 Programme related investments

	£'000	£'000
Creative Foundation	14	100
Shepway Sports Trust	<u>2,053</u>	-
	<u>2,067</u>	<u>100</u>

In January 2015 the Trust granted a £200,000 interest-free bridging loan facility to Creative Foundation to enable it to renovate a building within the Creative Quarter in Folkestone. £86,000 was repaid during the year.

In October 2016, the Trust granted a £4,000,000 interest-free loan facility to Shepway Sports Trust to enable it to construct and fit out an Urban Sports Park in Folkestone. As at 5th April 2017 Shepway Sports Trust had drawn down £1,717,000 of this facility. A further amount of £336,000 was outstanding in respect of advances made to fund temporary working capital requirements.

The Trustees regularly review these Programme Related Investments for recoverability on a case by case basis based on the underlying projects.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

8	Debtors	2017	2016
		£'000	£'000
	Prepayments	92	71
	Interest receivable	10	13
	Other debtors	108	88
		210	172

9 Creditors: due within one year

	2017	2016
	£'000	£'000
Bank overdraft	114	-
Trade creditors	46	144
Donations payable	485	1,699
Accruals and deferred income	230	55
	875	1,898
	2017	2016
	£'000	£'000
Total donations payable	4,565	1,739
less due within one year	(485)	(1,699)
Creditors due after more than one year	4,080	40

The trustees have accepted an obligation to make the donations referred to in this note.

10 Related parties

Sir Roger De Haan is a director and/or trustee of Kings School and the Creative Foundation. Both are charities to which the Trust has made charitable grants or provided other support. He was formerly a trustee of Folkestone Academy.

Sir Roger also sits on the Red Cross Project Management Committee which oversees the HIV/AIDS programme funded by the Trust.

Staff employed by Sir Roger De Haan provide grant making, administrative and accounting support to the Trust. The value of these services, for the purpose of these accounts, is £106,799 (2016: £103,690). No charge is made to the Trust by Sir Roger De Haan for these services.

In the year ended 5 April 2017, Sir Roger De Haan made a donation to the Trust amounting to £2,006,350.

Lady Alison De Haan is a trustee of the Creative Foundation.

Benjamin De Haan is a trustee of Queenstown Primary School which has received grants from the Trust.

THE ROGER DE HAAN CHARITABLE TRUST
Year ended 5th April 2017

11 Trustee remuneration

No remuneration or expenses were paid to trustees (2016: nil).

12	Charitable activities	2017	2016
		£'000	£'000
Grantmaking to achieve the objects of the Trust			
	Direct grants as shown in Note 16	7,523	3,318
Support Costs :			
	Heritage Asset costs	68	69
	Depreciation	154	141
	Other	11	45
	Staff costs	93	90
	Property costs	26	47
	Legal & professional fees	88	339
	Governance costs Note 13	33	31
	Total support costs	473	762
	Total expenditure on charitable activities	<u>7,996</u>	<u>4,080</u>

13	Governance costs	2017	2016
		£'000	£'000
Audit fees			
		15	12
Staff costs			
		14	14
Other			
		4	5
		<u>33</u>	<u>31</u>

14 Exchange gains and losses

Exchange gains and losses arise from translation differences on the conversion into sterling of Trust investments which are denominated in foreign currencies.

15 Grant Income

The Statement of Financial Activities includes grant income of £6,688 (2016: £219,393) from the Folkestone Townscape Heritage Initiative Scheme, of which £86,791 was outstanding at the year end.

This grant provides funds, all of which were spent in the year, to assist with the repair and restoration of a property owned by the Trust in the Creative Quarter of Folkestone

THE ROGER DE HAAN CHARITABLE TRUST
Year Ended 5th April 2017

16. Grants and Donations	Year ended	Year ended
	5th April 2017	5th April 2016
	£	£
Health and Welfare		
3H Fund, Holidays for Disabled	1,000	-
Age UK	-	105,345
Alzheimers & Dementia Support Services	-	5,000
ARRCC - Activities,Respite,Rehabilitation, Care Centres	30,000	20,000
Ashford & Tenterden Umbrella	2,000	-
Barnardos, Ravensdale Project, Tunbridge Wells	-	5,000
Barnardos - Sunrise project	5,000	-
Bipolar UK	2,000	-
Blind Veterans (UK)	1,000	-
British Heart Foundation	100	100
Bumblebee Conservation Trust	2,000	-
Cancer Research	100	10,100
Canterbury Shopmobility	-	500
Cardboard Citizens	10,000	-
Childhood First	-	5,000
Children with Cancer UK	-	100
CLIC Sargent	10,000	1,500
Cruse Bereavement Care	4,000	-
Demelza Hospice Care for Children	4,720	5,000
Diabetes UK	-	100
Dimensions (UK) Ltd	-	100
East Kent Hospital Charity	-	10,000
Find a Voice	-	10,000
Folkestone Academy - Young Carers	-	570
Folkestone Churches Winter Shelter	15,000	15,000
Folkestone Early Years Project	-	20,500
Folkestone Town Mayor's Christmas Fund	500	500
Folkestone, Dover & Hythe Samaritans	-	15,000
GAP - A Thanet Community Project	2,000	2,000
Heart of Kent Hospice	1,000	1,000
Hi Kent, Support for Deaf People	3,600	3,500
Hope for Tomorrow - mobile chemotherapy unit	-	4,000
Huntingdons Disease Association	2,000	-
Imago Community - mental health issues in young people	6,000	-
Kent Association for the Blind	6,000	5,600
Kent Community Domestic Abuse Programme	-	8,000
Kent MS Therapy Centre	10,100	5,120
Kent Search & Rescue	5,000	-
Kent, Surrey & Sussex Air Ambulance Trust	5,000	-
Macmillan Cancer Support	100	100
Maidstone Phoenix Club	500	500
Marie Curie	-	19,000
Carried forward Health and Welfare	128,720	278,235

THE ROGER DE HAAN CHARITABLE TRUST
Year Ended 5th April 2017

	Year ended 5th April 2017	Year ended 5th April 2016
	£	£
Brought forward Health and Welfare	128,720	278,235
Motability (Shepway)	-	1,000
MS:UK	-	200
Multiple System Atrophy Trust	4,000	-
Parkinsons UK	-	500
Pilgrims Hospice	100	-
Pancreatic Cancer	100	-
Rising Sun Domestic Violence & Abuse Service	-	3,000
Ronald McDonald House Charities	100	-
Royal National Institute for the Blind	5,000	-
Sidney De Haan Research Centre	3,270	3,124
South Kent Community Church - Christians Against Poverty	2,000	-
St John Ambulance	3,000	-
Tenterden Day Care Centre	-	500
The Brain Tumour Charity	-	200
The Charity of Amy Temple	5,000	-
The Chartwell Cancer Trust	-	100
The Royal Marsden Hospital	-	100
The Stroke Association	-	5,100
Volunteering Matters - Grandmentors	15,000	-
Walk The Walk	100	-
Willow Foundation	-	5,000
Young Lives Foundation	8,180	5,000
Total Health & Welfare	<hr/> 174,570	<hr/> 302,059

Community Development

1 st Saltwood Scouts	-	1,830
8 th Folkestone Brownies	500	-
Boulogne Sailing Trip (School Children)	-	5,000
Canterbury Archaeological Trust	12,200	14,510
Cross-Links Dover - Outreach Youth Work	3,715	-
Day of Syn Society	1,000	-
Dover Sea Cadets	-	2,000
Duke of Edinburgh Awards Panel - Shepway	-	2,500
East Folkestone Together	-	2,000
Elham Walkers Are Welcome Group	500	-
Etchinghill Residents Association	250	-
Folkestone Baptist Church	30,376	30,849
Folkestone Harbour Festival	-	6,000
Folkestone Rotary Club	1,000	1,000
Folkestone Town Council	-	4,000
Harbour Community Church, Folkestone	5,000	9,984
Carried forward Community Development	<hr/> 54,541	<hr/> 79,673

THE ROGER DE HAAN CHARITABLE TRUST
Year Ended 5th April 2017

	Year ended 5th April 2017	Year ended 5th April 2016
	£	£
Brought forward Community Development	54,541	79,673
Hythe Festival Company	6,000	-
Hythe Rotary Club	1,000	-
Hythe Rotary Club - Round The Houses Evening	1,000	1,000
Hythe Venetian Fete	17,500	17,500
Kent Community Foundation - young people not in education , employment or training	120,000	-
Kent County Council - Cultural Celebration	18,000	-
Kent Crime Stoppers	-	2,000
Girl Guides Association	500	250
New Romney County Fayre	1,200	-
Newchurch Parish Council	-	5,933
Pavement Pounders CIC	750	-
PCC St Leonards Church, Hythe	5,000	-
People United - Ramsgate Community Choir	1,500	-
Planet Folkestone	-	3,500
Porchlight, Canterbury	(1,000)	16,602
Saltwood Community Group - Grange Rd Play Park	-	2,500
Saltwood PCC	-	4,000
Sandgate Sea Festival	2,000	1,500
Shepway District Council - Radnor Park Community Group	55,000	-
Shepway District Council - Le Sailing Voyage 2017	6,000	-
Shepway Volunteer Centre	7,500	-
Sunflower House	8,000	5,000
The Sellinge War Memorial Hall	-	11,000
Try Angle Awards Foundation	-	350
Workers Educational Association - Folkestone	-	900
Wye Village Hall	5,000	-
Young Kent	11,676	(1,000)
Youth Festival of Remembrance, F'stone	2,000	1,000
Total Community Development	323,167	151,708

International

British Red Cross - South African Project	250,000	1,053,528
Life Education Trust, New Zealand	3,500	3,500
Paga Charitable Trust - Chitukuko School in Zambia	500	-
Queenstown Primary School, New Zealand	17,000	15,000
Queenstown Lakes Family Centre, New Zealand	2,500	-
The Architecture Aotearoa Charitable Trust - New Zealand	-	2,500
Total International	273,500	1,074,528

THE ROGER DE HAAN CHARITABLE TRUST
Year Ended 5th April 2017

	Year ended 5th April 2017	Year ended 5th April 2016
	£	£
National		
Evington Hall Committee	-	1,500
Royal Horticultural Society - Learning Centre at RHS Garden Hyde Hall	5,000	-
Total National	5,000	1,500
Arts		
Art Fund - Student National Arts Pass	25,000	12,000
Art in Romney Marsh	5,000	5,000
Broadstairs Folk Week	1,000	-
Changeling Theatre Company	2,000	-
Creative Arts Bursaries	26,282	41,390
Folkestone Hythe Operatic & Dramatic Society	5,000	-
Folkestone Payer's Park- new public park (release of accrual)	(9,121)	-
Hub Arts Map of Folkestone	-	2,000
IMOS Foundation	5,000	5,000
In Step Dance Studio	1,000	1,000
JimJam Arts	15,000	-
John Armitage Memorial Trust	10,500	7,000
Kent County Organists	600	-
National Gallery Trust	1,000	-
Pie Factory Music	-	2,000
Primavera	600	-
Royal Academy of Arts	-	25,000
Sandwich Folk Festival	500	500
Screen South	10,000	-
Simple 8 Theatre Company	-	5,000
Strange Cargo	20,000	-
Tenterden Folk Festival	-	500
The Chip Shop Group	3,000	-
The Creative Foundation	129,699	1,133,279
The Creative Foundation - Triennial 2017	666,498	200,000
Transport Theatre EU	-	1,800
Total Arts	918,558	1,441,469
Heritage (incl. fabric of buildings)		
Aldington Memorial	-	1,000
Canterbury Cathedral Trust	-	50,000
East Kent Railway Trust	9,000	-
Friends of St Anthony's, Alkam	10,000	-
Folkestone Leas Lift CIC	-	4,750
Folkestone Town Council - St Eanswythes statue in Radnor Park	2,500	-
Carried forward Heritage (incl. fabric of buildings)	21,500	55,750

THE ROGER DE HAAN CHARITABLE TRUST

Year Ended 5th April 2017

	Year ended 5th April 2017	Year ended 5th April 2016
	£	£
Brought forward Heritage (incl. fabric of buildings)	21,500	55,750
Holy Trinity Church	-	10,000
Kent Gardens Trust	-	1,000
Patrixbourne with Bridge PCC - flintwork at the church	2,000	
York Archaeological Trust - Re-Imagined Jorvik Centre in York	10,000	-
Total Heritage (incl. fabric of buildings)	33,500	66,750
Education		
Academy FM - Folkestone	12,026	58,700
Academy FM - Thanet	-	17,200
East Kent Education Business Partnership	2,500	-
Folkestone Academy	21,000	21,000
Folkestone School for Girls	100	100
Hertford College	-	10,000
King's School Debating Society	-	350
Skillforce Development	-	12,000
Success in Shortage Subjects in Kent (release of accrual)	(4,734)	-
Support & Help in Education (SHINE)	-	50,000
Volunteer Reading Help	5,000	9,504
Total Schools and Academies	35,891	178,854
Sports		
Aire Trampoline Club	-	25,590
Brabourne & Smeeth Playing Field Association	-	30,000
Canterbury Road MUGA	-	11,021
Cheriton Road Sports Ground *	(21,714)	699,145
Dynamo United Youth Football Club	-	1,000
Folkestone Coastal 10K Run	1,500	1,500
Folkestone Saints Basketball Club	1,425	15,650
Hawkinge Cricket Club	1,000	-
Hythe Cricket and Squash Club	5,000	-
Hythe Lawn Tennis Club	10,000	-
Seasports Centre Folkestone	3,396	3,127
Shepway Sport Trust	5,737,574	219,700
Thanet Disabled Riding	1,000	-
The Varne Boat Club Ltd	20,000	-
Total Sports	5,759,182	1,006,733
Total donations in year	£7,523,368	£4,223,601
Less: donations refunded in year *	-	(905,284)
NET DONATIONS FOR YEAR	£7,523,368	£3,318,317

* The refund arose following the donee's recovery of costs on the construction of Cheriton Road Sports Ground