

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2021**

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 2021**

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SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Report and Financial Statements For the year ended 31st December 2021

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	Third term to 31st March 2022
M D Smy	Second term to 31st March 2022
P C Howard-Dobson	Second term to 20th April 2025
A C Henney	First term to 10th May 2023

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
Connexions
159 Princes Street
Ipswich
Suffolk
IP1 1QJ

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2021**

Trustees' Report

The Trustees have pleasure in presenting their report and financial statements for the year ended 31st December 2021.

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.

OBJECTS

The objects of the charity are:

- (1) The advancement of education by
 - (a) providing financial support, in the form of bursaries and scholarships, towards the cost of tuition and boarding fees, to children who demonstrate commitment and/or ability but whose financial situation prevents them from joining FRAMLINGHAM COLLEGE, Framlingham, Suffolk ("the College")
 - (b) providing financial support to the College in respect of the fabric of its buildings and sports facilities and
any other charitable means deemed appropriate by the Trustees
- (2) The prevention or relief of poverty by providing financial assistance to such former students teaching and non teaching staff of the College who are in need.

In addition the Trustees are responsible for a number of legacy funds. These are

- (3) Wallace and Old Framlinghamian Scholarship Funds
These funds provide scholarships to both pupils at and leavers from the College.
- (4) Mawby Fund
Provides a prize to a member of the College who has rendered good service.
- (5) Alfred Pretty Prizes for Modern Languages
Provides prizes for promising scholars in languages, particularly modern languages

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2021**

Trustees' Report - continued

OBJECTS - continued

(6) Framlingham College Improvement Fund

Provides grants for improving existing buildings and equipment and for new buildings and equipment.

(7) Moreau Benevolent Fund

Provides for the welfare of past and present members of the College and their families.

A further fund was established by the Trustees following a generous donation in the memory of Neville Bromage, a distinguished, former pupil and trustee.

(8) Bromage Fund

Provides prizes for sporting excellence to members of the College and bursaries for sporting activities to current and former students.

NB For the avoidance of doubt, the use of the word 'College' above covers both Framlingham College at Framlingham and the Framlingham College Prep School at Brandeston.

STATEMENT OF PUBLIC BENEFIT

The public benefits derived from the above objectives are:-

- 1a The provision of a range of educational opportunities within which the beneficiaries can realise their individual potential and competences to the benefit of the wider community. No awards have been made under this heading to date.
- 1b+6 The grants made to the College enable it to provide a diverse range of buildings and facilities which enhance the learning environment and many of which are used by the local community.
- 1c Grants are made to enable beneficiaries to participate in activities and events outside the College environment thereby strengthening engagement with the wider community.
- 2+7 Grants made are primarily to fill a shortfall in funding to enable beneficiaries to participate in activities and events which they would not otherwise be able to afford.
- 3,4,+5 To promote learning and the continued development of individual capabilities, competences, skills and understanding in subjects of educational value.
- 8. Bursaries are made to enable beneficiaries to participate in sporting events which they would not otherwise be able to attend.

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Report and Financial Statements For the year ended 31st December 2021

Trustees' Report - continued

STATEMENT OF PUBLIC BENEFIT – continued

The Trustees in taking their charitable duties have had regard to the Charity Commission's public benefit guidance. Details of awards made during the year can be found under the heading of Grants and Awards.

No harm has been identified as arising from the above objects; nor has any private benefit.

REVIEW OF THE YEAR

Covid 19 has continued to cast a shadow over the activities of the Charity, but despite this, we were able to provide significant support to the College.

As reported last year, the Trustees have had discussions with the College as to how the charity could best provide it with support. These coalesced around the College's Vision 2025 programme, a principal aim of which is to fund bursaries for pupils who would not otherwise be able to attend the College. To augment the available funds, the Trustees asked the SOF for their support and at the Council meeting on 26th January 2021 approval was given for a payment of £300,000 to the Charity; £109,740 of this was a donation and £190,260 was provided under the loan facility negotiated in 2016.

Accounts

The Statement of Financial Activities (**SOFA**) at first glance looks alarming this year with a deficit of £254,385 in the restricted income fund and an overall deficit of £84,251 after taking account of expendable endowment. However, the deficit is covered by the long term loan from the Society of Old Framlinghamians (**SOF**) so the Trustees have no concern for the future of the charity. Furthermore the loan agreement permits annual repayments to be varied depending on the level of income in the year.

Donations were up considerably at £120,736 as a result of the Society's enhanced contribution. On the other hand, donations from members continue to decline as time takes its toll. These now stand at £4,046 compared to £4,210 last year.

Investment income showed a modest gain from £2,299 to £2,328 and this was despite bank interest rates collapsing and company dividends being cut back because of covid.

Alas, the significant figure of £68,094 in the SOFA this year under the heading of 'Other Income' is not from some new, lucrative source of funding. As disclosed in Note 3, it is 'finance income arising from a concessionary loan'. Because the latest loan tranche is interest free and for more than one year, the charity is deemed to have received a benefit which is quantified by calculating the net present value of the amount borrowed. The benefit, in plain English, is derived from the fact that the charity will repay the loan with money which is worth less and less with time. The loss in value is estimated using a notional rate of interest; in the present case the rate charged by HMRC for overdue payments has been selected as it is readily available. At 2.25%, the present value of the 25 year loan

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2021**

REVIEW OF THE YEAR – continued

tranche is £122,166 so we have received a deemed benefit of £68,094.

No loan repayment was made this year. There was, therefore, no additional element in the Concessionary Loan Finance Charge.

Grants and awards are dealt with below.

The closing portfolio valuation reflects the steady improvement in the stock market during the year.

Whilst the Balance Sheet remains skewed by the loan, the Trustees consider the reserves are adequate for the level of activity currently undertaken.

Investments

Under their current investment policy, the Trustees seek a balanced return over a 10 year+ period between income and growth, based on Investec's Medium Risk approach. There were no material changes made to the investment policy during the year.

Over the last year the portfolio, net of fees, grew 10.3% compared with a gross of fees benchmark of 12.5%. The five-year annualised return net of fees was 6.1%pa compared to a gross of fees benchmark of 6.6%. The value of our investments at 31 December 2021 had risen to £169,857. Investec had held a broadly neutral position in all assets classes during the year against their strategic asset allocation.

Grants and Awards

Grants and awards totalled £310,966 (2020: £12,037). In addition to the OF Prizes described in more detail below and the donation to the College of £300,000, the Charity gave financial assistance to a former staff member for care assistance and to a current pupil for singing lessons.

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
- 2 Albert awards paying £150 in Year 13

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

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2021**

Trustees' Report - continued

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' RESPONSIBILITIES

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

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

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

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

Approved by the Trustees and signed on their behalf

C R Essex
Trustee
28th March 2022

SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST
Report and Financial Statements

For the year ended 31st December 2021
Statement of Financial Activities

		Unrestricted Income	Restricted Income	Expendable Endowment	2021 TOTAL	2020 TOTAL
	Notes					
INCOME and ENDOWMENT from	3					
Donations and Legacies		112,596	8,140	-	120,736	15,353
Investments		108	2,220	-	2,328	2,299
Other		-	68,094	-	68,094	-
TOTAL INCOME		112,704	78,454	-	191,158	17,652
EXPENDITURE on	3					
Raising Funds						
<i>Investment Management</i>		72	1,532	-	1,604	1,387
<i>Concessionary Loan Finance Charge</i>	5		5,008	-	5,008	4,863
Charitable Activities	4	300,266	10,700	-	310,966	12,037
Other		4	1		5	2
TOTAL EXPENDITURE		300,342	17,241	-	317,583	18,289
NET INCOME/(EXPENDITURE) before investment gains or losses	3	(187,638)	61,213	-	(126,425)	(637)
OTHER RECOGNISED GAINS/(LOSSES)						
Net Gains/(Losses) on Investments		-	-	14,940	14,940	3,430
NET INCOME/(EXPENDITURE)		(187,638)	61,213	14,940	(111,485)	2,793
TRANSFERS BETWEEN FUNDS	11	187,638	(187,638)		-	-
NET MOVEMENT IN FUNDS		-	(126,425)	14,940	(111,485)	2,793
Balances as at 1st January 2021		-	(127,960)	155,194	27,234	24,441
Balances as at 31st December 2021	12	-	(254,385)	170,134	(84,251)	27,234

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Report and Financial Statements
For the year ended 31st December 2021**

Balance Sheet

	Notes	2021	2020
		£	£
<u>ASSETS</u>			
FIXED ASSETS			
Investments	6	169,857	155,195
CURRENT ASSETS			
Cash at Bank	7	40,010	38,983
		<u>40,010</u>	<u>38,983</u>
<u>LIABILITIES</u>			
Creditors: Amounts falling due within one year	8	-	-
		<u>-</u>	<u>-</u>
NET CURRENT ASSETS		40,010	38,983
Creditors: Amounts falling due after more than one year	9	(294,118)	(166,944)
		<u>-</u>	<u>-</u>
TOTAL NET ASSETS/(LIABILITIES)		<u>(84,251)</u>	<u>27,234</u>
REPRESENTED BY:			
<u>CAPITAL</u>			
TRUST CAPITAL FUNDS			
Expendable Endowment	10	139,962	138,917
Revaluation Reserve	11	30,172	16,277
		<u>170,134</u>	<u>155,194</u>
TRUST INCOME FUNDS			
Restricted		(254,385)	(127,960)
	12	<u>(84,251)</u>	<u>27,234</u>
		<u>=====</u>	<u>=====</u>

The Financial Statements were approved on 28th March 2022 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 2021

Cash Flow Statement

		<u>2021</u>	<u>2020</u>
	Notes	£	£
Surplus/(deficit) for the year		(111,485)	2,793
<i>Adjustments for:</i>			
Notional income arising from concessionary loan	(68,094)	-	
Notional finance charge arising from concessionary loan	5,008	4,863	
Investment income recognised in SOFA	(2,328)	(2,299)	
Fair value (gains)/losses on investments	(14,940)	(3,430)	
Accumulated income		<u>(1)</u>	
		<u>(80,354)</u>	<u>(867)</u>
CASH (ABSORBED BY)/ GENERATED FROM OPERATING		(191,839)	1,926
INVESTING ACTIVITIES			
Repayment from Investec	278	-	
Dividends received	2,324	2,269	
Interest received	<u>4</u>	<u>30</u>	
		2,606	2,299
FINANCING ACTIVITIES			
Additional loan from Society of Old Framlinghamians	<u>190,260</u>	<u>-</u>	
		<u>190,260</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		<u><u>1,027</u></u>	<u><u>4,225</u></u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Report and Financial Statements

For the year ended 31st December 2021

Cash Flow Statement - continued

<u>MOVEMENT IN NET DEBT</u>	As at 01.01.2021	<u>Cash Flow</u>	<u>Fair Value Movements</u>	<u>As at 31.12.2021</u>
		£	£	£
Deposit account	38,983	1,027		40,010
Current Account	-	-	-	-
Loans falling due after 1 year	166,944		127,174	294,118
	<hr/>	<hr/>	<hr/>	<hr/>
	205,927	1,027	127,174	334,128
	<hr/>	<hr/>	<hr/>	<hr/>

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2021

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 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 £294,118 (2020: £166,944). 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.

SOCIETY OF OLD FRAMLINGHAMIAN CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2021

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.

SOCIETY OF OLD FRAMLINGHAMIANS CHARITABLE TRUST

Notes to the Financial Statements

For the year ended 31st December 2021

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.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Notes to the Financial Statements

For the year ended 31st December 2021

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 2021

3 Detailed Statement of Financial Activities

	SOF Trust	Charitable	Moreau Benevolent	Mawby Memorial	Alfred Pretty Memorial	O.F. Scholarship	Bromage Memorial	Wallace Scholarship	Framlingham College Improvement	2021 TOTAL	2020 TOTAL
	Unrestricted £	Restricted £	£	£	£	£	£	£	£	£	£
INCOME											
Donations from SOF General Funds	109,740	-	-	-	-	6,950	-	-	-	116,690	11,143
Donations and Legacies from Members	2,856	-	223	-	-	463	-	-	504	4,046	4,210
Amalgamated Investment Fund Distributions	105	-	322	73	9	144	490	709	472	2,324	2,269
Interest	3	-	-	-	-	-	-	-	1	4	30
Finance income arising from concessionary loan	-	68,094	-	-	-	-	-	-	-	68,094	-
	112,704	68,094	545	73	9	7,557	490	709	977	191,158	17,652
EXPENDITURE											
Grants and awards	300,266	-	600	125	25	8,700	1,000	250	-	310,966	12,037
Stockbroker fees	72	-	222	50	6	100	338	490	326	1,604	1,387
Finance charges	-	5,008	-	-	-	-	-	-	-	5,008	4,863
Bank charges	4	-	-	-	-	-	-	-	1	5	2
	300,342	5,008	822	175	31	8,800	1,338	740	327	317,583	18,289
NET INCOME/(EXPENDITURE) before gains or losses	(187,638)	63,086	(277)	(102)	(22)	(1,243)	(848)	(31)	650	(126,425)	(637)
OTHER RECOGNISED GAINS											
Net Gains/(Losses) on Investments	-	668	2,068	464	60	926	3,154	4,562	3,038	14,940	3,430
NET MOVEMENT IN FUNDS	(187,638)	63,754	1,791	362	38	(317)	2,306	4,531	3,688	(111,485)	2,793
Balances 1st January 2021		(134,572)	23,961	5,292	829	8,423	34,368	51,525	37,408	27,234	24,441
Transfers	187,638	(187,638)	-	-	-	-	-	-	-	-	-
Balances 31st December 2021	-	(258,456)	25,752	5,654	867	8,106	36,674	56,056	41,096	(84,251)	27,234
<i>Represented by:-</i>											
Unrestricted Income	-	-	-	-	-	-	-	-	-	-	-
Restricted Income	-	(266,467)	926	46	171	290	277	4,285	6,087	(254,385)	(127,960)
Expendable Endowment	-	6,660	20,650	4,671	575	5,947	30,028	42,559	28,872	139,962	138,917
Revaluation Reserve	-	1,351	4,176	937	121	1,869	6,369	9,212	6,137	30,172	16,277
	-	(258,456)	25,752	5,654	867	8,106	36,674	56,056	41,096	(84,251)	27,234

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Notes to the Financial Statements

For the year ended 31st December 2021

4 GRANTS and AWARDS

Area	Grants to		Support Costs	TOTAL	
	Individuals £	Institutions £		2021 £	2020 £
Educational support	9,075	300,000	-	309,075	9,250
Educational buildings	-	-	-	-	-
Research	-	-	-	-	-
Sporting Activities	1,025	-	-	1,025	800
Welfare	600	-	-	600	1,200
Other	266	-	-	266	787
	<u>10,966</u>	<u>300,000</u>	<u>-</u>	<u>310,966</u>	<u>12,037</u>

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:

	2021	2020
	£	£
Interest on other loans	5,008	4,863

In order to comply with the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102, that part of the difference between the initial discounted value of the loan and the actual loan, which has to be written back each year through the SOFA and is calculated using the effective interest rate method, is identified as interest for the purpose of this note only. The Trustees wish to stress that the loan is interest free. See also note 9.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2021**

6 INVESTMENTS

2021

	Opening	Additions	At Market Valuation Disposals	Change in Valuation	Closing
	£	£	£	£	£
Amalgamated Investment Fund					
Listed investments	151,063	6,792	(6,693)	14,794	165,956
Cash awaiting investment					3,901
					<u>169,857</u>
<i>Allocation between funds</i>					
SOF Charitable Trust					8,009
Moreau Benevolent					24,815
Mawby Memorial					5,605
Alfred Pretty Memorial					696
OF Scholarship					7,808
Bromage Memorial					36,204
Wallace Scholarship					51,735
Framlingham College Improvement					34,985
					<u>169,857</u>

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
	<u>12,999</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,999</u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2021**

6 INVESTMENTS - continued

2020			<i>At Market Valuation</i>		
	<i>Opening</i>	<i>Additions</i>	<i>Disposals</i>	<i>Change in Valuation</i>	<i>Closing</i>
	£	£	£	£	£
<i>Amalgamated Investment Fund</i>					
<i>Listed Investments</i>	147,952	29,685	(33,165)	6,591	151,063
<i>Cash awaiting investment</i>					4,132
					<u>155,195</u>
 <i>Allocation between funds</i>					
<i>SOF Charitable Trust</i>					7,343
<i>Moreau Benevolent</i>					22,758
<i>Mawby Memorial</i>					5,144
<i>Alfred Pretty Memorial</i>					636
<i>OF Scholarship</i>					6,891
<i>Bromage Memorial</i>					33,243
<i>Wallace Scholarship</i>					47,210
<i>Framlingham College Improvement</i>					31,970
					<u>155,195</u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2021**

6 INVESTMENTS - continued

The ten largest holdings by value were:

		2021		2020
	£	%	£	%
Fundsmith LLP Equity Income	16,903	9.9	13,872	8.9
Vanguard FTSE All-World Ucits	16,529	9.7	13,990	9.0
Baillie Gifford Global Alpha Growth	13,581	8.0	14,596	9.4
Artisan Partners Global Value Fund	13,234	7.8	11,332	7.3
Liontrust Special Status	11,943	7.0	10,025	6.5
Man GLG Undervalued Assets	10,753	6.3	9,511	6.1
Lindsell Train UK Equity	10,113	5.9	9,142	5.9
Jupiter UK Special Situations	8,366	4.9	8,135	5.2
Invesco UK Corporate Bonds	8,174	4.8	5,328	3.4
Royal London Sterling Credit Fund	5,170	3.0	-	-
iShares Core FTSE 100 Ucits	-	-	6,618	4.3

The asset allocation at value was:

	2021	2020
	%	%
UK Fixed Interest	14.7	14.7
UK Equities	26.4	28.0
Foreign Fixed Interest	3.7	3.9
Foreign Equities	35.5	34.6
Property etc	4.8	4.8
Alternative Assets	12.6	11.3
Cash	2.3	2.7
	<u>100.0</u>	<u>100.0</u>

Amongst the shares held are four (2020: 4) which produced no income. Their total value is £27,756 (2020: £23,484) which represents 16.3% (2020: 15.1%) of the portfolio.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2021**

7 CASH BALANCES

			2021	2020
	Current	Deposit	Total	<i>Total</i>
SOF Charitable Trust	-	27,654	27,654	25,028
Moreau Benevolent	-	937	937	1,203
Mawby Memorial	-	49	49	148
Alfred Pretty Memorial	-	171	171	193
OF Scholarship	-	298	298	1,533
Bromage	-	470	470	1,125
Wallace Scholarship	-	4,321	4,321	4,316
Framlingham College Improvement	-	6,111	6,111	5,437
TOTAL	-	40,010	40,010	38,983

8 CREDITORS: Amounts falling due within one year

	UNRESTRICTED		RESTRICTED		TOTAL	
	2021	2020	2021	2020	2021	2020
Other Creditors	-	-	-	-	-	-
	-	-	-	-	-	-

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2021**

9 CREDITORS: Amounts falling due after one year

	UNRESTRICTED		RESTRICTED		TOTAL	
	2021	2020	2021	2020	2021	2020
Unsecured borrowing at amortised cost						
Loan from related party	294,118	166,944	-	-	294,118	166,944
	<u>294,118</u>	<u>166,944</u>	<u>-</u>	<u>-</u>	<u>294,118</u>	<u>166,944</u>

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. £54,000 has since been repaid. This year in order to support Framlingham College with their Vision 2025 project, the Trustees availed themselves of the remaining facility and have drawn a further tranche of £190,260.

Because the loan is interest free, it is classed as a concessionary loan and has to be shown in the Balance Sheet at fair value, which is the net present value of the closing loan balance. The first tranche is being discounted at 3% and the second at 2.25%. The difference of £68,094 is deemed to be the benefit of repaying the latest loan in currency subject to inflation and has been 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. The charge of £5,008 (2020: £4,863) relates to the first tranche only and does not include an additional amount this year because no loan repayment was made. When this happens in effect the discounted value of the repayment is added to the annual finance charge. The balance of the loans on an amortised cost basis is £500,000 (2020: £309,740).

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 2021

10 CAPITAL ACCOUNT MOVEMENTS

	SOF Charitable Trust £	Moreau Benevolent £	Mawby Memorial £	Alfred Pretty Memorial £	O.F. Scholarship £	Bromage £	Wallace Scholarship £	Framlingham College Improvement £	2021 TOTAL £	2020 TOTAL £
INCREASE										
Transfers of unspent Restricted Income & restricted donations										1
Net Gain on Sales of investments	46	145	32	4	65	221	320	212	1,045	5,909
	<u>46</u>	<u>145</u>	<u>32</u>	<u>4</u>	<u>65</u>	<u>221</u>	<u>320</u>	<u>212</u>	<u>1,045</u>	<u>5,910</u>
REDUCTION										
Net Loss on Sales of investments	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT	46	145	32	4	65	221	320	212	1,045	5,910
Balances 1st January 2021	6,614	20,505	4,638	571	5,882	29,807	42,240	28,660	138,917	133,007
Balances 31st December 2021	<u>6,660</u>	<u>20,650</u>	<u>4,670</u>	<u>575</u>	<u>5,947</u>	<u>30,028</u>	<u>42,560</u>	<u>28,872</u>	<u>139,962</u>	<u>138,917</u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Notes to the Financial Statements

For the year ended 31st December 2021

11 FUNDS

Endowment Funds Revaluation Reserve	Balance 01.01.21	Realised in year	Reductions	Increases	Balance 31.12.21
SOF Charitable Trust	729	(40)	-	662	1,351
Moreau Benevolent	2,252	(125)	-	2,049	4,176
Mawby Memorial	506	(28)	-	460	938
Alfred Pretty Memorial	65	(4)	-	60	121
OF Scholarship	1,008	(56)	-	916	1,868
Bromage	3,436	(190)	-	3,123	6,369
Wallace Scholarship	4,970	(274)	-	4,516	9,212
Framlingham College Improvement	3,311	(183)	-	3,009	6,137
TOTAL	<u>16,277</u>	<u>(900)</u>	<u>-</u>	<u>14,795</u>	<u>30,172</u>

Endowment Funds excluding Revaluation Reserve	Balance 01.01.21	Income	Expenditure	Transfers	Balance 31.12.21
SOF Charitable Trust	6,614	46	-	-	6,660
Moreau Benevolent	20,505	145	-	-	20,650
Mawby Memorial	4,638	32	-	-	4,670
Alfred Pretty Memorial	571	4	-	-	575
OF Scholarship	5,882	65	-	-	5,947
Bromage	29,807	221	-	-	30,028
Wallace Scholarship	42,240	320	-	-	42,560
Framlingham College Improvement	28,660	212	-	-	28,872
	<u>138,917</u>	<u>1,045</u>	<u>-</u>	<u>-</u>	<u>139,962</u>

Income is the fund's share of realised gains made within the Amalgamated Investment Fund.

Transfers are from/(to) restricted income funds and consist of accumulation income and income used to buy more investments.

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

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Notes to the Financial Statements

For the year ended 31st December 2021

11 FUNDS - continued

Restricted Funds Income	Balance 01.01.21	Income	Expenditure	Transfers	Balance 31.12.21
SOF Charitable Trust	(141,915)	68,094	(5,008)	(187,638)	(266,467)
Moreau Benevolent	1,203	545	(822)	-	926
Mawby Memorial	148	73	(175)	-	46
Alfred Pretty Memorial	193	9	(31)	-	171
OF Scholarship	1,533	7,557	(8,800)	-	290
Bromage	1,125	490	(1,338)	-	277
Wallace Scholarship	4,316	709	(740)	-	4,285
Framlingham College Improvement	5,437	977	(327)	-	6,087
	<u>(127,960)</u>	<u>78,454</u>	<u>(17,241)</u>	<u>(187,638)</u>	<u>(254,385)</u>

The deficit on the SOF Charitable Trust arises from donations made to Framlingham College as explained in Note 9. The donations would not have been possible 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 31.12.21
Investments		169,857	169,857
Current Assets	39,733	277	40,010
Current Liabilities			
Loan	<u>(294,118)</u>		<u>(294,118)</u>
Total net assets	<u>(254,385)</u>	<u>170,134</u>	<u>(84,251)</u>

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

Notes to the Financial Statements

For the year ended 31st December 2021

13 FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>169,857</u>	<u>155,195</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>294,118</u>	<u>166,944</u>

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 £2,000 in 2022 and £2,000 in 2023 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 £500 in 2022.

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 2021 no trustee was paid (2020: £nil) for travel and other expenses.

16 RELATED PARTY TRANSACTIONS

An award of £300,000 (2020: £nil) was made during the year to Framlingham College, of which one trustee, Mr. P. Howard-Dobson, is governor.

A loan facility 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.

**SOCIETY OF OLD FRAMLINGHAMIANS
CHARITABLE TRUST**

**Notes to the Financial Statements
For the year ended 31st December 2021**

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 £2,175 (2020: £2,094).

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 2021.

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
29th March 2022

Connexions,
159 Princes Street,
Ipswich, Suffolk,
IP1 1QJ.