

# **P. H. HOLT**

## **FOUNDATION**

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### **Annual Report and Financial Statements**

**For the Year Ended 31 March 2016**

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## Legal and Administrative Information

Company Limited by Guarantee, Registered in England and Wales

**Company Number** 5731598

**Registered Charity Number** 1113708

**Directors and Charity Trustees** Elspeth Christie  
Martin Cooke  
Paige Earlam  
Nicola Eastwood  
Anthony Hannay  
Amy de Joia  
Neil Kemsley  
Ian Matthews  
Kenneth Ravenscroft

**Company Secretary** Elspeth Christie

**Administrator** Anne Edwards

**Email** administrator@phholtfoundation.org.uk

**Registered Office** 151 Dale Street  
Liverpool  
L2 2AH

**Telephone and fax** 0151 237 2663

**Website** www.phholtfoundation.org.uk

**Bankers** Barclays Bank plc  
Liverpool City Business Centre  
48b-50 Lord Street  
Liverpool  
L1 2TD

## **Legal and Administrative Information**

### **Investment Managers**

Ruffer LLP  
80 Victoria Street  
London  
SW1E 5JL

Troy Asset Management Limited  
Brookfield House  
40 Davies Street  
London  
W1K 5JA

Kennox Asset Management Limited  
23 Melville Street  
Edinburgh  
EH3 7PE

Tilney BestInvest  
Royal Liver Building  
Liverpool  
L3 1NY

### **Independent Auditors**

Grant Thornton UK LLP  
Registered Auditor  
Chartered Accountants  
Royal Liver Building  
Liverpool  
L3 1PS

### **Solicitors**

Brabners LLP  
Horton House  
Exchange Flags  
Liverpool  
L2 3YL

## Chairman's Statement

It has been a very busy year for us as we celebrated the Centenary of Holt Education Trust. This afforded the Foundation an excellent opportunity to highlight our work to the public, other funders, charities, and organisations operating within the region.

We evaluated the impact of our past grants for Holt Education Trust, and changed the strategy to support students from Merseyside seeking science degrees and wishing to study in the region. In conjunction with the University of Liverpool and Liverpool John Moores University, the programme will be re-assessed in 2017 with regard to the benefits students have derived from the grant support. The programme is in keeping with Philip Holt's lifetime commitment of broadening access to further education for young people who would otherwise lack the financial resource.

The Trustees also have undertaken a thorough review of our grant giving criteria within the context of the philanthropic wishes of our benefactor, and importantly the changing funding environment charities are now operating under. We have kept abreast with increases to our grant giving by reducing overheads, and are confident that we offer a broad range of programmes to maintain accessibility for the many smaller charities and arts organisations that we support.

This year will also see the Foundation replace long serving Trustees who are nearing retirement with new Trustees to bring on board expertise, and fulfil vital roles to ensure continuity over our finances and investments. Considering the low interest rates, our funds have in general performed well, but will continue to be monitored closely. I feel confident that the Foundation continues to be forward thinking and reviews its governance and financial policies to ensure that we are managing the assets and dispensing income responsibly and appropriately.

I would like to thank each and every one at P H Holt Foundation for their dedication and support throughout the year, and through the generous giving of time, knowledge and expertise. Together, our endeavours are vital in furthering the activities of charitable organisations in Merseyside.



Paige Earlam

16 September 2016

## **Report of the Trustees**

The Trustees, who are also the Directors for the purposes of company law, present their Annual Report together with the audited Financial Statements for the year ended 31<sup>st</sup> March 2016.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, The Memorandum and Articles of Association, and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

### **Reference and Administrative Details of the Charity, its Trustees and Advisers**

The information with respect to Trustees, Officers and Advisers set out on pages 3 and 4, forms part of this report.

### **Structure, Governance and Management**

The P H Holt Foundation, a Charitable Company incorporated on 6 March 2006, commenced activity on 1 April 2007; following the transfer of assets from the P H Holt Charitable Trust, its predecessor charity, established in 1955. The Foundation also acts as sole Corporate Trustee of Holt Education Trust, established by Trust Deed in 1915. The origins of both Charities derive from the endeavours of Philip Henry Holt, who together with his brother Alfred, founded Ocean Steam Ship Company Limited in Liverpool. In his lifetime, Philip Holt had many charitable interests, and the Foundation aims to continue his mission, supporting causes which have the capacity to change lives and which enable people to make a real contribution to where they live and work. Our aim is to help create a better future for the people of Merseyside, whilst encouraging communities to flourish.

The P H Holt Foundation operates solely as a grant-maker. Its Memorandum of Association states that assets whether income or capital are to be applied, "for charitable purposes in the United Kingdom of Great Britain and Northern Ireland and elsewhere as the Charity in its absolute discretion shall think fit, to the intent that, but without prejudice to the generality of the foregoing, the principal area of activity of the Charity shall be the Merseyside area." Merseyside is of special interest, and beyond the geographic boundaries, the Foundation occasionally makes grants to discrete charities, acknowledging the personal interests of Philip Holt.

The Trustees are listed on page 3 and are the sole Members of the Company. The governing instruments specify that there have to be at least four trustees. One third of trustees retire each year, but may be re-appointed subject to various safeguards.

The Trustees regularly review whether their collective skills and experience remain adequate for the needs of the Charity. New appointments and/or re-appointments are made accordingly. New trustees are chosen with a view to maintaining the Charity's knowledge, ethos and independence. Appropriate training and induction is provided, normally by means of informal discussion with current Trustees and the Administrator, supplemented by participation in visits, and formal training courses where required.

Trustees meet four times each year to consider and make decisions on grant awards. However, preliminary selection of grant applications is delegated to a sub-committee, which acts within strategic guidelines approved at a full meeting. All binding decisions about any aspect of the Charity are only made at a full meeting. The Administrator is responsible for the day-to-day management of the Charity, including contact with actual and potential grant recipients and with the Foundation's various associates.

## Report of the Trustees

The Trustees continually review the major strategic, business and operational risks to which the Charity could be exposed and have established systems and policies to mitigate significant risks. A formal risk assessment is conducted annually reporting into the Board, advising on potential risks and the impact these may have on the Charity. The Trustees are satisfied that the system of internal controls and ongoing reviews currently in place is adequate.

### Key Risks Include:

- Grants made as Restricted Funds where recipient charities could apply the gift to other purposes, or not incur the expenditure. All grants are subject to progress reports by recipient charities to enable Trustees to monitor that the grant has been used for the expressed purpose it was given. Our monitoring processes and routine project visits by Trustees and the Administrator, minimise any significant changes taking place without approval.
- Loss of the Charity's invested funds. Some risk of loss is ever-present when stock market investments are held and the Trustees review the asset allocation and fund performance on a regular basis, taking an active role in portfolio management. The Trustees take further comfort from their Fund Managers' internal quality controls and regulatory frameworks.

There were no serious incidents recorded during the year ended 31<sup>st</sup> March 2016.

### Objectives and Public Benefit

The Foundation gives grants which help communities and charitable organisations create a better future for the people of Merseyside according to five priority themes:

- Creating opportunities for people to contribute to their local community
- Enabling people to overcome barriers and take control of their lives
- Widening access to education for people of all ages
- Increasing engagement in the arts for marginalised or excluded groups
- Encouraging care of the natural and built environment

Grants are for specific purposes, awarded to projects that can demonstrate the following:

- Making Merseyside a better place to live
- Encouraging self-help and resilience
- Developing realistic and sustainable plans
- Delivering strategic solutions
- Bringing positive change and measurable impact

The Foundation also continues to fund projects that fall within the scope of the Holt family heritage. This programme is specific to charities where there is a long-standing connection with the Foundation, and which reflect Philip Holt's values of self-help, self-improvement and innovation. There is only one other activity of public benefit, namely the ownership of ship models and other historical artefacts associated with Ocean Steam Ship Company Limited, which are loaned for display at Merseyside Maritime Museum. In taking this approach, the Trustees confirm that they have had regard to the Charity Commission's general guidance on public benefit.

## Report of the Trustees

### Achievements and Performance

During the year 2015/16, the P H Holt Foundation and Holt Education Trust made grants to 73 registered charities and individual students across Merseyside dispensing £302,698 (2014-15: £274,320), further details of which are set out in Note 2 to the Financial Statements.

In total, P H Holt Foundation received 116 applications, and through its sister charity, Holt Education Trust, which supports individual students, a further 40 applications were received (2014-15: 130 and 85 respectively). The number of ineligible applications falling outside grant making criteria, dropped to just a quarter of those received. Funding for grants rose by 10% in 2015-16. However, the number of awards decreased by 44% to 73 grants (2014-15:130).

The Trustees supported a cross-section of causes within the Foundation's priority funding themes. Over 53% of grants were made towards creating opportunities for over 21,000 people in Merseyside to overcome barriers and make a positive contribution to their local communities. Twenty-one arts organisations received financial support, aimed at benefiting up to 24,400 people; engaging children, young people and excluded groups in visual and performing arts. Education, heritage and the environment received over 16% of funding, highlighting that the bulk of requests continue to concentrate around three of our five priority themes. Charities, and particularly smaller grass roots organisations, have, and are, experiencing ongoing reductions in traditional funding streams. The impact of this is being noticed by the Foundation in larger fundraising requests as community and arts programmes seek to mitigate for lost income.

### Future Plans

Our principal plans for 2016-17 can be briefly summarised under four headings: to continue to provide grants for charitable activities which benefit the people of Merseyside; to continue to seek to safeguard the investment assets which provide the means to deliver those charitable objects; to manage Holt Education Trust to benefit students engaged in specific areas of study; to encourage through our grant making the participation of young people in their local communities.

### Financial Review

The results for the year ending 31st March 2016, are set out in the Statement of Financial Activities on page 16. Total incoming resources were £251,670 for 2015-16, up from a previous of £246,109 in 2014-15. Resources expended were comparable to the previous year £359,075 (2014-15: £336,653).

Investments decreased by £102,030 for 2015-16 to end on £16,535,011, reflecting the turbulence in the current market. The previous year saw significant investment gains of £1,588,247. For the year 2015-16, net expenditure before interest gains/losses fell to £107,405 (2014-15: £90,544) and the net closing asset position reduced to £16,781,294 (2014-15: £17,047,343).



## **Report of the Trustees**

### **Reserves**

We inherit from the Trustees of P H Holt Charitable Trust an awareness of our obligation to balance the needs of current and future charitable beneficiaries. We aim to maintain the long-term value of our capital and of the income which that capital produces. Within this policy, we consider that our current unrestricted reserves are fully utilised for the purposes of the Charity.

As Corporate Trustee of Holt Education Trust, our policy is to maintain a reserve of accumulated income equal to, and not more than a year's typical grant expenditure.

We review reserve policies regularly in the light of prevailing conditions.

### **Fund Structure, Investment Policy and Performance**

#### **Endowed Funds**

In accordance with the Trust Deed, income from Holt Education Trust can be used only for specified educational purposes and its capital is restricted as a permanent endowment in charity law. The Holt Education Trust endowment is managed in a segregated portfolio with balanced investment objectives. We are satisfied that the Manager at Tilney BestInvest has met these objectives.

#### **Unrestricted Fund**

Under the terms of its Memorandum of Association, P H Holt Foundation may spend capital, as well as income for charitable purposes, in the United Kingdom and elsewhere. The accumulated funds of the Charity are therefore unrestricted funds for the purposes of charity law. Transfers are made from investments to current assets, as and when liabilities fall due.

Our investment objective is to preserve the value of capital in real terms, in order to retain the ability to sustain our grant-making and other work in the future. Our investments with Ruffer LLP, Troy Asset Management Limited and Kennox Asset Management Limited are held in composite funds. We have confidence in our Investment Managers' abilities to look after our funds wisely in ever changing financial markets, and are satisfied with their current performance which we review quarterly.

#### **Auditors**

Grant Thornton UK LLP offer themselves for reappointment as auditors to the Charitable Company.

## Report of the Trustees

### Trustees' Responsibilities for the Financial Statements

The Trustees (who are also Directors of P H Holt Foundation for the purposes of Company Law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law, the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including income and expenditure 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
- make judgements and accounting estimates that are reasonable and prudent
- observe the methods and principles in the Charities SORP (FRS102)
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements
- 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 Charitable Company, and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the Charitable Company's Auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the Auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Trustees and signed on their behalf on 16 September 2016.



Elspeth Christie  
Company Secretary

## **Independent Auditor's Report to the Trustees of P H Holt Foundation**

We have audited the Financial Statements of P H Holt Foundation for the year ended 31 March 2016 which comprise the principal accounting policies, the statement of financial activities (including income and expenditure account), the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 ("The Financial Reporting Standard applicable in the UK and the Republic of Ireland").

This report is made solely to the Charitable Company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and its Members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of Trustees and Auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the Financial Statements, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the Financial Statements**

In our opinion the Financial Statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2016, and of its incoming resources and application of resources including its income and expenditure 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 Companies Act 2006.



## **Independent Auditor's Report to the Trustees of P H Holt Foundation**

### **Opinion on Matters Prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

### **Matters on which we are Required to Report by Exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit, or
- the Trustees were not entitled to take advantage of the small company's exemption from the requirement to prepare a strategic report.

A handwritten signature in black ink, appearing to read 'Joanne Love'.

Joanne Love (Senior Statutory Auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
Liverpool

27 September 2016

## **Principal Accounting Policies**

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### **Basis of Preparation**

The financial statements have been prepared in accordance with Accounting & Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS102) (effective 1 January 2015), Charities SORP (FRS102) and the Companies Act 2006. The charity is not required to prepare a cash flow statement, being a small entity under FRS102.

P H Holt Foundation meets the definition of a public benefit entity under FRS102. This is the first year the charity has prepared financial statements under FRS102 with 31 March 2015 the end of the latest period where accounts were prepared in accordance with the previous financial reporting standard. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the accounting policy notes.

### **Reconciliation with previous Generally Accepted Accounting Practice (UK GAAP)**

In preparing the financial statements, the Trustees have considered whether in applying the accounting policies, required by FRS102 and the Charities SORP FRS102, restatement of comparatives was required. In the opinion of the Trustees, no restatements are required.

As investment gains are now treated as a component of reported income, the net expenditure for 2015 as previously stated of £90,544 has been adjusted by investment gains of £1,588,247 producing a restated return income of £1,497,703.

### **Basis of Accounting**

The Financial Statements are prepared in accordance with the historical cost convention as modified by the valuation of investments.

### **Fund Accounting**

General funds are unrestricted funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors.

### **Restricted and Endowed Funds**

In accordance with the Trust Deed, income of Holt Education Trust can be used only for specified educational purposes and its capital is restricted as a permanent endowment in charity law.

### **Unrestricted Funds**

Under the terms of its Memorandum of Association, P H Holt Foundation may spend capital as well as income for charitable purposes in the United Kingdom and elsewhere. The accumulated funds of the Charity are therefore unrestricted funds for the purposes of charity law. Transfers are made from investment to current assets as and when liabilities fall due.

## **Principal Accounting Policies**

### **Resources Expended**

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.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Where possible, expenditure is directly allocated to appropriate categories. The remaining expenditure is apportioned in accordance with a formula which the Trustees consider corresponds realistically to the use of staff time and other resources.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

### **Grants Payable**

Future grant commitments are fully provided for in the year in which the commitment is made. In the case of an unconditional grant this is accrued once the recipient has been notified of the grant award.

### **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are included in the Statement of Financial Activities.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, such as Brexit, the attitude of investors to investment risk, and changes in sentiment incurring equities.

Income from investments is included, together with the related tax credit, in the year in which it is receivable.

Interest on funds held on deposit is recognised when receivable, and the amount can be recognised reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

### **Tangible Fixed Assets**

Tangible assets are capitalised at cost with the exception of any donated assets which are valued at Trustees' estimate of value at the date of donation.

Depreciation is not charged on pictures and historic artefacts.

### **Operating Leases**

The Charity classifies the lease of premises as an operating lease and rental charges are charged on a straight line basis over the term of the lease.

## **Principal Accounting Policies**

### **Statement of cash flows**

No statement of cash flows is presented, as under FRS 102.1A.7 the charity is exempt from producing such a statement by virtue of its size.

### **Significant adjustments and key areas of estimation uncertainty**

The trustees consider there to be no items in the financial statements where they have had to make significant judgements in the process of applying the Charity's accounting policies or key sources of estimation uncertainty

**Statement of Financial Activities (including income and expenditure account)**

	Note	Unrestricted Funds	Restricted Fund	Endowed Funds	Total Funds 2016	Total Funds 2015
		£	£	£	£	£
<b>Income</b>						
<i>Income from charitable activities</i>						
Investment income	1	236,134	15,536	-	251,670	246,109
		<u>236,134</u>	<u>15,536</u>	<u>-</u>	<u>251,670</u>	<u>246,109</u>
<b>Expenditure</b>						
<i>Expenditure on charitable activities:</i>						
Grants payable	2	273,698	29,000	-	302,698	274,320
Other expenditure on charitable activities	3	49,375	-	7,002	56,377	62,333
<b>Total expenditure</b>		<u>323,073</u>	<u>29,000</u>	<u>7,002</u>	<u>359,075</u>	<u>336,653</u>
<b>Net income(expenditure) before gains on investments</b>		<u>(86,939)</u>	<u>(13,464)</u>	<u>(7,002)</u>	<u>(107,405)</u>	<u>(90,544)</u>
<b>Losses/(gains)on investment assets</b>	6	<u>(143,073)</u>	<u>-</u>	<u>(15,571)</u>	<u>(158,644)</u>	<u>1,588,247</u>
<b>Net movement in funds for the year</b>		<u>(230,012)</u>	<u>(13,464)</u>	<u>(22,573)</u>	<u>(266,049)</u>	<u>1,497,703</u>
<b>Transfer between funds</b>		<u>(2,963)</u>	<u>2,963</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total funds brought forward at 1 April 2015</b>	18	<u>16,462,087</u>	<u>10,501</u>	<u>574,755</u>	<u>17,047,343</u>	<u>15,549,640</u>
<b>Total funds carried forward at 31 March 2016</b>	10	<u>16,229,112</u>	<u>-</u>	<u>552,182</u>	<u>16,781,294</u>	<u>17,047,343</u>

The statement of financial activities includes all gains and losses recognised in that year. All income and expenditure derive from continuing activities.



## Balance Sheet

	Note	2016 £	2016 £	2015 £	2015 £
<b>Fixed assets</b>					
Tangible fixed assets	5		5,000		5,000
Investments	6		<u>16,535,011</u>		<u>16,637,041</u>
			<b>16,540,011</b>		<b>16,642,041</b>
<b>Current assets</b>					
Debtors	7	75,982		54,452	
Cash at bank and in hand		<u>194,901</u>		<u>357,350</u>	
		<b>270,883</b>		<b>411,802</b>	
<b>Creditors: amounts falling due within one year</b>					
	8	<u>(29,600)</u>		<u>(6,500)</u>	
<b>Net current assets</b>			<b>241,283</b>		<b>405,302</b>
<b>Total assets less current liabilities</b>			<u><b>16,781,294</b></u>		<u><b>17,047,343</b></u>
<b>Financed by:</b>					
Endowment fund	10		552,182		574,755
Unrestricted funds	10		<u>16,229,112</u>		<u>16,462,087</u>
Restricted fund	10		-		<u>10,501</u>
<b>Total Funds</b>	10		<u><b>16,781,294</b></u>		<u><b>17,047,343</b></u>

The Financial Statements were approved by the Trustees on 16 September 2016.



Neil Kemsley  
Trustee

## Notes to the Annual Report

### 1 Investment Income

	2016 £	2015 £
Dividends – Listed investment funds and equities	251,666	246,109
Bank interest	4	-
	<u>251,670</u>	<u>246,109</u>

### 2 Charitable Activities

	2016 £	2015 £
Grants payable	302,698	274,320
	<u>302,698</u>	<u>274,320</u>

Grants to institutions may be categorised as follows:

	2016 £	2015 £
Opportunities and Overcoming Barriers	161,975	113,134
Engagement in the Arts	90,688	77,161
Access to Education	37,035	79,025
Heritage/Care of environment	13,000	5,000
	<u>302,698</u>	<u>274,320</u>

### 3 Other expenditure on charitable activities

	2016 £	2015 £
Audit fees	10,900	8,580
Trustees expenses	33	455
Investment Managers' fees	7,002	7,034
Staffing	24,720	31,845
Office costs	13,722	14,419
	<u>56,377</u>	<u>62,333</u>

Trustees' expenses amounting to £33 were reimbursed during the year to two trustees (2015: £455 - four trustees).

Office costs include £3,303 (2015: £3,303) in respect of operating lease payments relating to land and buildings.

## Notes to the Annual Report

### 3 Other expenditure on charitable activities (continued)

Governance costs included above represent:	2016	2015
	£	£
Audit fees	10,900	8,580
Staffing costs	6,180	4,777
Office costs	3,430	2,068
Trustees expenses	33	455
	<u>20,543</u>	<u>15,880</u>

The charity Trustees were not paid any other benefits from employment with the Trust, except for expenses as shown above. No Trustee received payment for professional services supplied to the Charity (2015: £nil). The charity provides indemnity insurance for the benefit of the trustees.

The key management personnel comprise the Trustees only.

### 4 Taxation

The Foundation is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments if these profits are applied solely for charitable purposes.

The Charity is not registered for VAT and all expenditure is recorded inclusive of any VAT incurred.

### 5 Tangible Fixed Assets

	£
Deemed cost	
At 1 April 2015 and 31 March 2016	<u>5,000</u>
Net book value at 31 March 2016	<u>5,000</u>
Net book value at 31 March 2015	<u>5,000</u>

The pictures and artefacts were gifted to P H Holt Foundation by the Trustees of P H Holt Charitable Trust and are associated with the historic business interests of Philip Holt and his family. The pictures are minor works held for use by the Charity. The artefacts are ship models and related items which are on loan to museums for educational use. After taking professional advice, the Trustees' opinion is that the book value of £5,000, at which the collection was transferred, represents a conservative minimum market valuation as at 31 March 2016.

In 2007, the Trustees of P H Holt Charitable Trust also made a gift of office equipment and furniture to P H Holt Foundation. This equipment and furniture is of low monetary value and has not been capitalised by P H Holt Foundation.