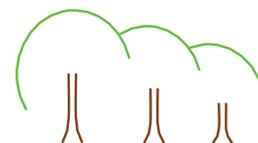
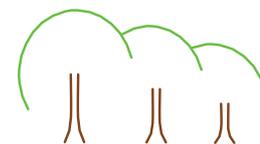


THE THREE OAKS TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018



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Reference and Administrative Information

Charity Registration Number: 297079

Corporate Trustee: The Three Oaks Family Trust
Company Limited
(Registered number: 1991868)

Trustees: (i.e. directors of the
corporate trustee) Mrs E L D Chandy
Mrs S I Ellery (appointed 13 April 2018)
Mrs C V Foreman
Mrs P E Hobbs
Mrs C A Johnson
Mrs S A Kane
Dr P Kane
Mrs D M Ward
Mr G D Wilkinson
Mrs P A Wilkinson

Principal office: The Three Oaks Family Trust Company Limited
65 Worthing Road
Horsham, West Sussex
RH12 9TD

Solicitors: Irwin Mitchell LLP
Belmont House
Station Way
Crawley, West Sussex
RH10 1JA

Independent Examiner: Kreston Reeves LLP
Springfield House
Springfield Road
Horsham
RH12 2RG

Bankers: CAF Bank
25 Kings Hill Avenue
King's Hill
West Malling, Kent
ME19 4JQ



The directors of the Corporate Trustee (herein referred to as “the trustees”) present their report with the financial statements of the charity for the year ended 30 September 2018. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1.

1. Structure, governance and management

The charity is constituted by a Deed of Trust dated 11th June 1987 and is registered with the Charity Commission, Charity Registration no. 297079. The fund originates from a single settlement from an individual donor. The object of the Charity is to provide funds for such charitable purposes as the Trustees in their absolute discretion think fit.

The statutory power to appoint new trustees lies with the trustees themselves.

The Charity is administered by the Directors of the Corporate Trustee (The Three Oaks Family Trust Company Limited) and does not have any employees. The present Directors of the Three Oaks Family Trust Company Limited are:

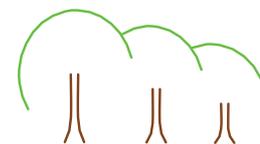
Denise Chandy, social worker, retired
Susan Ellery, Independent Social Work Consultant
Carol Foreman, social worker, retired
Polly Hobbs, trade union official, retired
Carol Johnson, social worker, retired
Sarah Kane, social worker, retired
Paul Kane, consultant earth scientist, retired
Dianne Ward, teacher, retired
Pam Wilkinson, social worker, retired
Giles Wilkinson, chartered civil engineer, retired

Three of the above have been Directors since the charity started in 1987.

The majority of the charity trustees are retired professionals and are mindful of the need to address the issue of continuity of the charity and the collective breadth and depth of expertise of the trustees. All trustees have access to past documentation, minutes, briefing notes, reports and accounts. The trustees are encouraged to attend courses which they feel are relevant to the development of their role and to keep up-to-date with changes in legislation. One new trustee, Susan Ellery was appointed during the year.

The charity’s trustees are ultimately responsible for the policies, activities and assets of the charity. The charity holds quarterly meetings to discuss the business of the trust. The meetings have a standard format. Discussion of the minutes of the previous meeting is followed by the Chairman’s report which deals with current issues and a number of standing items including:

- Events in the last Quarter including visits and meetings
- Donations made in the last Quarter
- Trustees’ reports



-
- Donations pending
 - Bank balances
 - Investment matters and performance
 - Property issues

Trustees present their individual reports on their activities, including visits. There follows a review of applications for funding. Those trustees that make donations on behalf of individuals submit details of the donations made in the last quarter and present any matters arising. Standing items on the agenda include a statement of investment activity and performance. Special topics are introduced and discussed as necessary. On an occasional basis, the trustees invite speakers from organisations that the Trust either supports or is considering supporting to make presentations at the Quarterly meeting.

The on-going task of liaising with the Trust's professional advisors has been delegated to Dr Kane. Dr Kane is assisted in this role by Mr Wilkinson and Mrs Hobbs. Dr and Mrs Kane deal with the day to day administration of grants and the processing and handling of applications from registered charities and institutions between quarterly meetings, subject to agreed constraints. Mrs Johnson, Mrs Wilkinson, Mrs Ward, Mrs Foreman and Mrs Chandy have discretion to deal with applications for funding made on behalf of individuals, subject to agreed constraints.

The charity does not engage in any fund-raising activities.

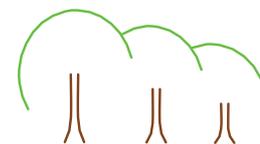
2. Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts 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 year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.



The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the Examination, but of which the Independent Examiner is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Examiner is aware of such information.

3. Statement on public benefit

The Trust is a grant making charity. It exists solely for the purpose of supporting other organisations and individuals in need. The trustees have taken account of the Charity Commission's general guidance on Public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees have considered how planned activities will contribute to the charity's aims and objectives as described below. The trustees decide which causes to support on the basis of merit and the information available. The trustees manage the Trust's funds in a sustainable way designed to ensure the Trust's future and to maximise future public benefit.

4. Objectives

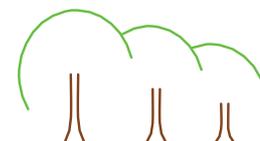
The stated aim of the charity is 'To further the well being of individuals and families who may for whatever reason be in distress'. This rather vague statement correctly identifies the beneficiaries of the Trust's activities, but does little to describe how the charity works to meet this aim. This is best appreciated by reference to the pattern of donations that was established from the outset and which continues to date.

In summary, and for the current year:

The value of donations made this year totalled some £303,348 (£170,195 in 2017). The large (78%) increase in donations made by the trustees this year reflects the increase in resource available to the Trust. £202,873 (67%) (£92,500 in 2017) was donated to UK registered charities and institutions that promote the welfare of individuals and families. As in previous years, a large number of small donations were made more directly for the benefit of individuals via statutory authorities and voluntary agencies. This year 304 (228 in 2017) such donations were made with a net value, taking account of refunds, of some £64,525 (21%) (£45,095 in 2017). Donations to charities and institutions whose focus of work is overseas were made to a value of £35,950 (12%) (£32,600 in 2017).

The charity provides support for individuals and families in the UK and overseas. The charity supports projects and other charities that assist people with health, psychological and emotional difficulties. It also more directly supports individuals with these difficulties.

The sections that follow provide examples of donations made in the year as a means of understanding the range of interests pursued by the trustees.



5. Example of donations made

5.1 In the UK

Crawley Open House (£15,000). Crawley Open House provides shelter for the homeless and support to assist their return into the community – it is a well-respected resource for the homeless with a friendly atmosphere.

The Springboard Project (£20,000). Two grants each of £5,000 were made to support 'Horsham Buddies' which is a peer mentoring support scheme to enable disabled youngsters from the age of 12-18 to access local activities and recreational opportunities more independently. A grant of £10,000 was also made to support the Crawley Centre.

Family Foundation Trust (Dalesdown) (£5,000). The Trust provides a bursary fund for children from disadvantaged backgrounds. The most common need addressed is help/support with parenting and managing children's behaviour, both within the home and the school environment.

The following organisations were also supported by the Trust in the current year:

Basildon Resource Centre (£5,000) Contribution to core costs

BEAM (crowd-funding for the homeless) (£5,000)

British Red Cross – Crawley Hub (£5,000) Loan of mobility aids in the south-east

Canaan Project (£5,000) Works with girls and young women in Tower Hamlets.

Changing Tunes – HMP Ford (£5,000)

Chichester Information Shop (5,000) Contribution to core costs

Crowborough Information Shop (£3,000) Contribution to core costs

Deptford Action Group (£3,000) Contribution to core costs

Dermatrust (£5,000) Personal support

Dalit Solidarity Network UK (DSNUK) (£5,000) Campaigning against caste discrimination

Freedom from Torture (£10,000): Dedicated to the treatment and rehabilitation of survivors of torture

Islington People's Rights (IPR) (£5,000): Committed to reducing poverty and the effects of debt in Islington.

Littlehampton Foodbank (£5,000)

Macular Society (£3,000) Supporting people affected by central vision loss.

MindOut (£5,000)

MS Society (£10,000) Personal Support.

Neuro Foundation (£10,000) Personal Support.

Personal Support Unit (PSU) (£5,000) Helps litigants in person, their friends and families, witnesses, victims and inexperienced court users.

Phoenix Stroke Club, Horsham (£5,000). Contribution to core costs



Place2Be (£7,500) Wandsworth parent counsellors

RNIB (£5,000) Talking Books

Windmills Opportunity Playgroup (£5,000) – based in Burgess Hill.

Worthing Churches Homeless Project (£10,000)

Donations made for the benefit of individuals by the Trust are seen as a major component in the support of families and individuals in the community. The Trustees have provided regular support to West Sussex County Council and to Surrey County Council for the specific requirements of individuals as recommended by health visitors and social workers.

In this capacity the Trust also supports a number of housing associations and mental health teams and some London boroughs, in particular Lambeth. One trustee supports Chichester Diocesan Association for Family Support Work by responding to request on behalf of individuals. Another trustee supports Gofal, a mental health and wellbeing charity in Wales.

5.2 Overseas aid

During the year, the Trust made a number of donations to charities and institutions whose focus of work is overseas. The charities or projects supported by the Trust are now only in areas where the trustees visit or can send representatives. The trustees take the view that close supervision and monitoring of overseas projects is essential because of the ever present risks arising from issues of governance, operational activities and financial controls. The Trust is reducing the number of overseas projects that it supports because of the difficulty of monitoring activities adequately. Projects supported include the following:

Children on the Edge (£5,000). The Trust provided grants to support displaced children in Kachin State in northern Burma.

The John Fawcett Foundation (£5,000). Best known for its sight restoration and blindness prevention work in Indonesia.

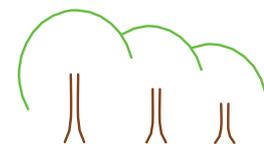
HCR Amani FM (£5,000) Kenya. Project designed to diffuse community tensions

ICT Juconi, Ecuador (£5,000) Street-working children

Samara's Aid (£7,500). Syria. Collection and distribution of humanitarian aid.

6. The Trust's Assets

The Trust exists for the purpose of making donations to charitable causes. To facilitate this objective, the Trust holds and manages investments in order to generate income. Until this year the Trust has had the benefit of both listed investments and land with the Trust's listed investments originating from the sale of land for development. This year the remaining holdings of land were sold for development. The sale along with repayment of a related loan and recovery of VAT produced receipts of some £8m such that the total capital assets of Trust at the year-end were some £14m. With a near doubling of total funds, the trustees have reconsidered the Trust's investment strategy. Acquisition and disposals of fixed asset investments during the year are recorded in the notes to the accounts.



7. Investment strategy

There are no restrictions on the charity's power to invest. In April the trustees found themselves in the fortunate position of having some £9m in cash in the bank. The trustees decided to leave the donation policy essentially unchanged for the present and opted to explore investment opportunities with a view to substantially increasing the income available for charitable causes in the long-term. The trustees did not think it prudent to place all the Trust's funds with a single manager and have adopted a multi-manager policy. Subsequently, the trustees opened a number of COIF fund accounts with CCLA Investment Management Limited and, following the year end, have opened a CAF Investment Account. The COIF funds are:

- Deposit Fund
- Investment Fund
- Global Equity Fund
- Property Fund

The purpose of the Deposit Fund is primarily to hold funds pending investment in the other three funds.

The Investment Fund aims to provide a long-term return comprising growth in capital and distributions. As of 31 December 2017, the gross dividend yield was 3.34%. The gross annualised total return over 5 years was 12.17%. It is a large fund of some £2bn with 147 holdings. The main elements of the asset allocation are Overseas Equities 53% and UK Equities 20%. Of the Overseas Equities the main allocations are North America 32% and Developed Europe 13%

The Global Equity Fund aims to provide a high level of income with long-term capital growth. As of 31 December 2017, the gross dividend yield was 3.79%. The gross annualised total return over 5 years was 12.13%. It is a small fund of £155m and 87 holdings. Close to half the asset allocation is to North America with equal weighting for the UK and Europe. It is well diversified in terms of economic sectors.

The Property Fund also aims to provide a high level of income combined with long-term capital appreciation. As of 31 December 2017, the gross dividend yield was 5.49%. The gross annualised total return over 5 years was 10.65%. The fund size is £523m with 68 holdings. 44% of the assets are classed as offices and 29% as industrial and warehouses.

At the year-end the Trust retains a substantial cash balance intended for investment. Subsequent to the year-end, the trustees opened a CAF Investment Account. The trustees intend to use this account to invest in low-cost index-tracker funds with a 60:40 ratio between US and UK indexes.

The current investment strategy agreed by the trustees is to have similar amounts invested with each of the three managers.

7.1 Funds managed by Quilter Cheviot

The investment strategy is agreed between the trustees and the investment managers and is regularly reviewed. A policy statement has been completed by the trustees and



forms an integral part of the agreement with the investment manager to provide investment management services.

The more significant principles in the statement are:

- that the investment manager shall have due regard to the need for diversification;
- warrants, options, derivatives or other alternative investments will not be included without the specific prior approval of the directors;
- the Trust does not invest in companies whose main business is tobacco, gambling or armaments;

The charity's portfolio of investments managed by Quilter Cheviot had a market value at the year-end £4,711,267 (£4,709,107: 2017) which includes uninvested cash. Table 1 shows the change in fund value, income and yield from 2008-2018. The trends in values are also illustrated in Figure 1.

Table 1. Quilter Cheviot Investment fund

Year*	Value (£)	Income (£)	Yield (%)
2008	5,358,399	193,000	3.61
2009	5,192,906	189,509	3.66
2010	5,565,600	184,515	3.32
2011	5,450,208	199,055	3.66
2012	5,921,111	209,734	3.55
2013	6,326,695	213,182	3.37
2014	6,423,899	203,217	3.17
2015	6,153,437	199,815	3.25
2016	4,729,046 ¹	152,000	3.21
2017	5,069,016 ²	147,099	2.90
2018	4,711,267 ³	130,796	2.78

*at the year end. ¹ Some £2m was employed to facilitate a sale of land (as yet unrealised) which correspondingly increased in value.
² – Cash and investments, excluding land.
³ – portfolio only including uninvested cash

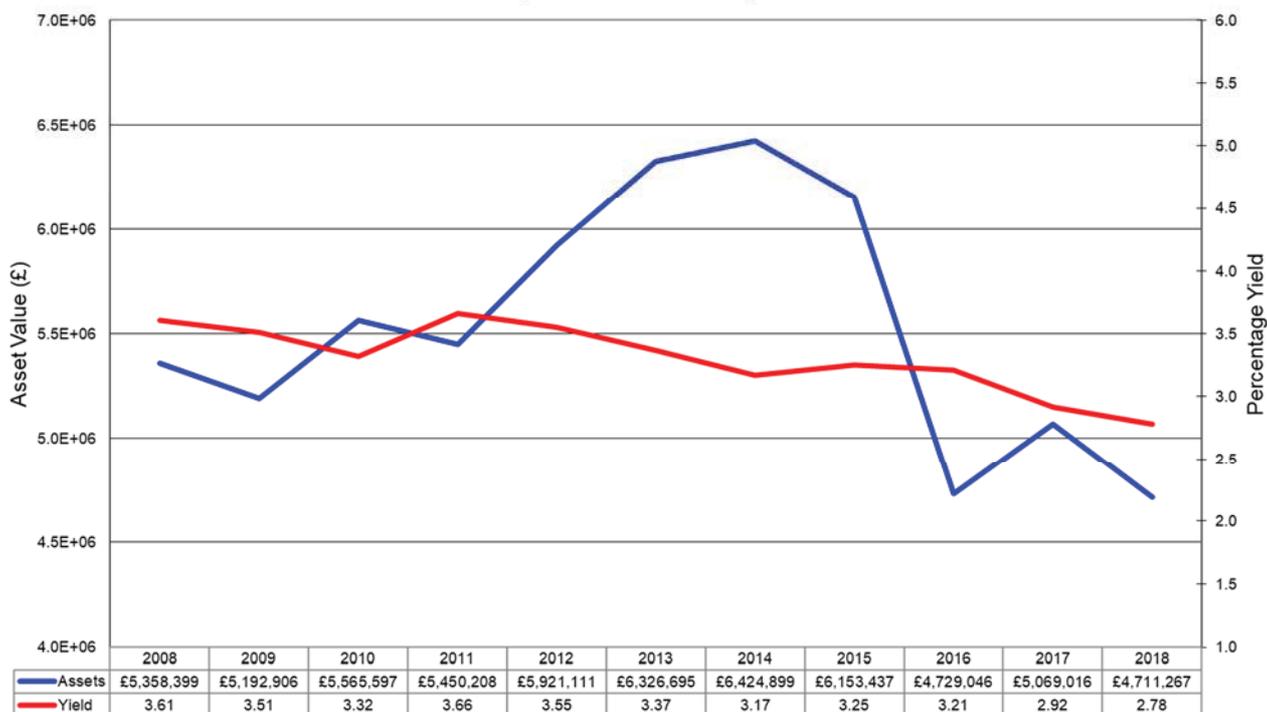
Investment income is influenced by external factors and by the general performance of UK and overseas stock markets. In order to minimise fluctuations in asset value and yield, the trustees have set prudent investment policies and place reliance on the investment managers to monitor and advise on necessary investment changes and a suitable asset allocation.

The trustees employ a Total Return strategy whereby capital appreciation and income are regulated to maintain both capital and the cash for donations. Total return is calculated daily and equals capital movement plus income receivable in the portfolio's base currency taking account of all transactions plus cash/stock additions and withdrawals. Since April 2016, the investment manager has made available £15,000 a month for donations and to cover costs.



The policies have provided the Trust with a measure of protection against anticipated falls in dividend income and interest payments in recent years. Following the sale of the Trust’s remaining interests in land, the trustees are confident that they can plan to increase the level of charitable giving in the future. The trustees are engaging with Quilter Cheviot to make changes to the portfolio to increase performance and reduce costs.

Figure 1. Quilter Cheviot - Trends in portfolio value and yield: 2008-2018
(See Table 1 for notes)



8. Grant making policy

Trustees provide funds for charitable purposes at their discretion. The Trust makes grants available to both individuals and organisations. Guidelines for grant-seekers are available on the charity’s web site. These guidelines are as follows:

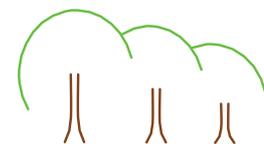
8.1 For Organisations

Grants are made to organisations that promote the welfare of individuals and families. In general, the trustees intend to continue supporting the organisations that they have supported in the past. Periodically and generally annually the trustees review the list of registered charities and institutions to which grants have been given and consider additions and deletions from the list. To save on administration, the trustees do not respond to requests unless they are considering making a donation.

Requests from organisations for donations in excess of £2,000 are considered by the trustees on a quarterly basis in meetings usually held in January, April, July and September.

8.2 For Individuals

Direct applications from individuals will not be considered.



Applications from invited, local, statutory and voluntary organisations are considered. To save on administration, only organisations in these categories will receive a reply.

Grants are made on behalf of clients with, for example, the following problems - mental health, learning difficulties, physical handicaps, low-income families, single parents and the long-term sick. In the case of long-term difficulties, the trustees are most likely to be sympathetic to a request if the person or family on behalf of whom the request is being made, is able to reflect on whether there are any changes they could make to prevent the same problems reoccurring.

In the case of psychologically vulnerable client groups such as the mentally ill or those with learning difficulties, the trustees would like to know whether the client is being given support with budgeting from the statutory services and, if relevant, whether the client is able to make plans to avert future problems.

The trustees need to know the full cost of the grant needed, or in the case of larger items (up to £300), the trustees need to know what contribution is being requested of the Trust. The trustees would like to know which other Trusts have been approached for any specific request. Details of the agency to which the cheque should be made payable should always be included in the application. The grants made may cover such items as basic furnishings, clothing, a contribution to the cost of household appliances, telephone connections and small grants for educational purposes.

In order to maintain consistency of approach and response from the Trust, an application form is available and can be downloaded from the website. The intention is that professionals should make use of the form in order that the trustees can make informed choices regarding donations.

The Trust does not intend to expand further the scope of donations made for the benefit of individuals. Currently all the applications made on behalf of individuals receive a response, but this would cease to be the case if applications substantially increased in number.

Although the Trust has an interest in overseas projects, it will not sponsor individuals in gap year work or similar activities. Applications (however well presented) will not be answered. The Trustees wish to make this clear in order to prevent time being wasted on applications. Please note - individuals or charities should not assume a stamped addressed envelope will produce a reply.

STRATEGIC REPORT

9. Achievements and performance

The Trust's record of donations is illustrated in Figures 2 and 3. The Three Oaks Trust donated some £303,349 to charitable causes in the year ended 30 September 2018 (Figure 2). The amount donated represents a significant increase over previous years and reflects the additional resources available for distribution by the trustees.

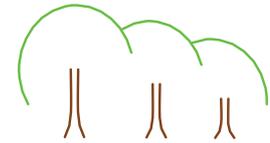
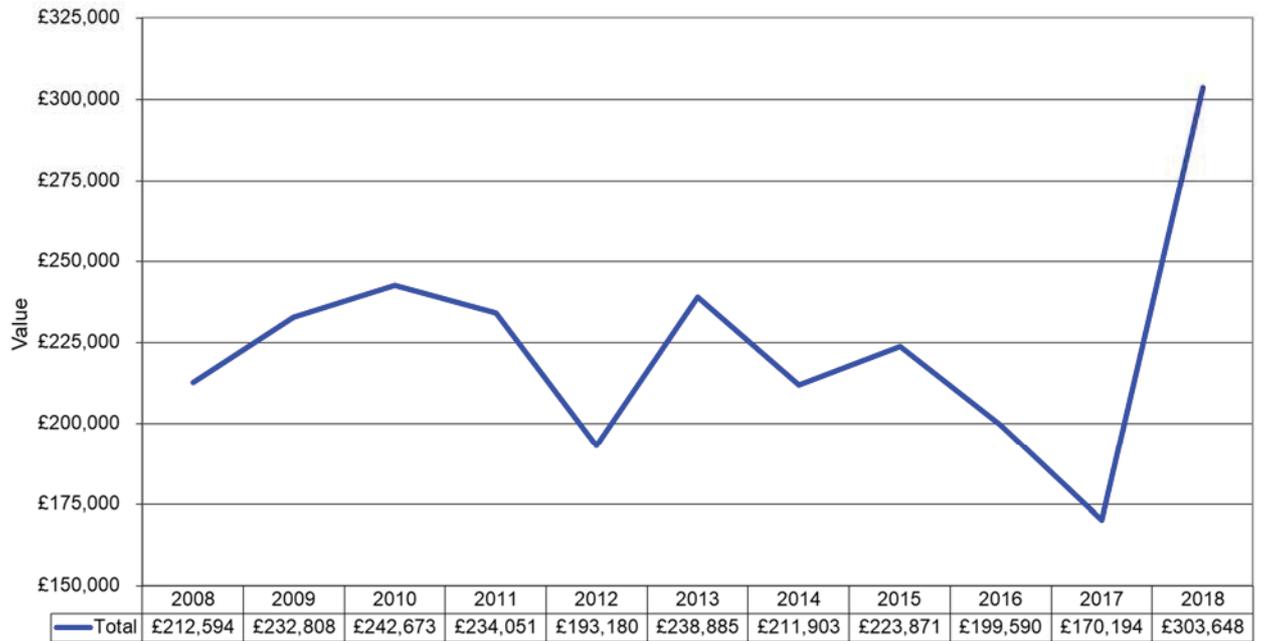
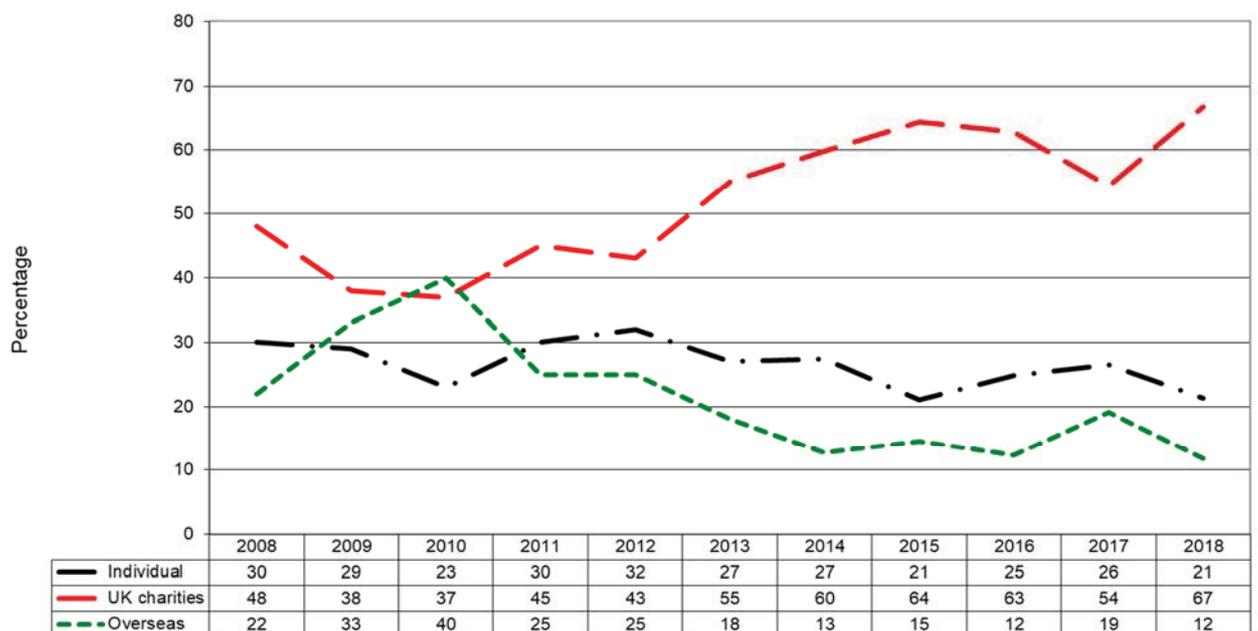


Figure 2. Trend in annual donations by value 2008-2018



Of this total donated, 67% went to UK registered charities and institutions, 12% to organisations whose work is mostly overseas and 21% in the form of small donations for the benefit of individuals (Figure 3). Six of the trustees assess donations recommended on behalf of individuals and firmly believe that these small donations can make a big difference to the individuals involved and their families.

Figure 3. Trends in Donations 2008-2018





As is apparent from the Figure 3, there was a steady and substantial decline in the value of donations made to UK based charities between 2008 and 2010 which has been reversed as a matter of policy over the past eight years. There has been a corresponding reversal to the upward trend in the value of donations to charities whose work is mostly overseas, which reached 40% in 2009-2010.

The charities supported in the UK are variously local charities known to the trustees, or charities brought to the attention of the trustees through personal or professional contacts. The Trust tends to make repeat donations to these charities subject to satisfactory feedback, but the Trust rarely enters into long-term funding commitments. For the charities that the trust gives significant donations to year after year, it is usual for the trustees to make visits.

The trustees are generally satisfied that the trust is meeting its stated aim in a cost-effective manner.

10. Financial Review

10.1 Results for the year

The Trust is reliant on the income from its investments. At the year end and following the sale of the Trust's remaining interests in land, the Trust held assets in excess of £14m. This near doubling of the Trust's assets places the Trust on a firm foundation for the future. The trustees are mindful of the need to manage investment risk and reduce costs and have adopted a multi-manager strategy and a move away from active fund management. Donations to a total value of £303,349 were made during the year, a substantial increase over the previous year.

10.2 Future commitments

The charity rarely enters into specific written commitments regarding future project funding or donations. Given the increase in the Trust's assets and increasing level of income available for good causes, it is expected that the level of donations in the coming year will continue to increase and that many of the charities that the trust has supported in the past will continue to be supported into the future.

10.3 Reserves policy

The Charity has sufficient funds to maintain its current distributions. The Trust's investment policy seeks to maintain a balance between capital growth and income and operates on a Total Return basis. The policy seeks to maintain the value of the Trust's investments in real terms, whilst releasing money for donations. The trustees maintain a reserve separate from the investment managers to meet unexpected eventualities. The amount of this reserve at the year end was £8,641,995.

11. Future plans

The trustees will continue to pursue a multi-manager investment strategy and continue to invest the cash from the sale of land until it is fully invested, save for a reserve fund. The trustees will continue to ensure that investment performance is optimised to balance asset protection and income and ensure that there are sufficient funds to meet the anticipated schedule of donations.



The trustees do not anticipate any significant changes to the charity's grant-making strategy in the coming year and will continue to support many of the organisation that it has developed relationships with. The trustees are mindful that, with increased resources, they can increase the level of grants made and support additional causes.

12. Risk management

A risk assessment has been carried out for The Three Oaks Trust. This assessment considered a number of risks and appropriate systems and procedures for managing those risks. The main areas of risk considered were:

- Governance and oversight
- Operational activities; and
- Financial activities.

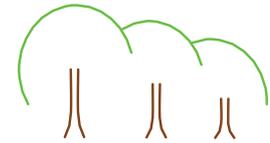
Issues considered under the heading of governance included continuity of the charity, the depth and breadth of expertise of the trustees and its charitable and investment policies. The trustees have acted to increase their number and the range of expertise available within the charity. The trustees' skills and training are aligned with the charity's objectives and activities, but are periodically reviewed to ensure that they are collectively suitable to deal with anticipated future developments and for the purpose of assessing the services provided by professional advisers.

Operational risks include the need to meet statutory and legal requirements, management, secretarial and administrative activities and the assessment and handling of donations. Risks arise both from the trustees' activities and from the services provided by professional advisers. Steps have been taken to limit the risks arising from these sources.

Financial risks include loss of income, loss of capital and misappropriation of funds. These may arise from poor budgetary control, inappropriate spending or transfer of funds, poor accounting and inappropriate investment policies. Steps have been taken to limit the risks in all these areas.

Variability of investment returns constitutes a risk for the charity because it is a grant making charity dependent on its investments for income. To address this issue, the trustees are using a total return approach to investment which they consider will stabilise the resources available for grant making. Following the sale of the Trust's remaining interests in land, the trustees have adopted a multi-manager investment strategy and have reduced dependency on active fund management. It is hoped that this approach will reduce risk, reduce costs and increase performance.

The last few years have been particularly challenging with much uncertainty associated with 'Brexit', the administration in the USA and political developments in Europe and elsewhere. As there is no rational basis for predicting future human actions and the unintended consequences arising from them, the trustees take the view that its investments are best protected by maintaining a portfolio suitably diversified across countries, sectors and currencies and where possible seeking negative correlations between portfolio components.



TRUSTEE

The Three Oaks Family Trust Company Ltd was the Trustee in office during the year. No Director of the Three Oaks Family Trust Company Ltd had any beneficial interest in any contract made with the charity during the year.

For and on behalf of the Three Oaks Family Trust Company Ltd.

.....
Dr P. Kane
Director

.....
Mrs S. A. Kane
Director

Date of approval by the Directors of the Corporate Trustee: 2019

THE THREE OAKS TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

Independent examiner's report to the Trustees of The Three Oaks Trust (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 30 September 2018.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Responsibilities and basis of report

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

I report in respect of my examination of the charity'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 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

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

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 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 an independent examination.

THE THREE OAKS TRUST

INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

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.

Signed:

Dated:

Sarah Ediss BSc FCA

Kreston Reeves LLP
Chartered Accountants
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

THE THREE OAKS TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:				
Donations and legacies	2	19,063	19,063	18,780
Investments	3	178,222	178,222	216,796
Total income		<u>197,285</u>	<u>197,285</u>	<u>235,576</u>
Expenditure on:				
Raising funds	4	34,004	34,004	22,999
Charitable activities:				
Relief of distress	5	303,349	303,349	170,195
Support costs	6	3,584	3,584	4,864
Total expenditure		<u>340,937</u>	<u>340,937</u>	<u>198,058</u>
Net income / (expenditure) before investment gains		(143,652)	(143,652)	37,518
Net gains on investments	9	7,055,881	7,055,881	26,040
Net income before other recognised gains and losses		6,912,229	6,912,229	63,558
Net movement in funds		6,912,229	6,912,229	63,558
Reconciliation of funds:				
Total funds brought forward		7,390,565	7,390,565	7,327,007
Total funds carried forward		<u><u>14,302,794</u></u>	<u><u>14,302,794</u></u>	<u><u>7,390,565</u></u>

The notes on pages 21 to 28 form part of these financial statements.

THE THREE OAKS TRUST

**BALANCE SHEET
AS AT 30 SEPTEMBER 2018**

	Note	£	2018 £	£	2017 £
Fixed assets					
Investment property	8		-		1,335,813
Investments	9		5,660,799		4,836,166
			<u>5,660,799</u>		<u>6,171,979</u>
Current assets					
Debtors	10	8,211		1,039,000	
Investments in short term deposit fund		3,100,000		-	
Cash at bank and in hand		5,551,425		232,850	
			<u>8,659,636</u>	<u>1,271,850</u>	
Creditors: amounts falling due within one year	11	(17,641)		(53,264)	
			<u>8,641,995</u>		<u>1,218,586</u>
Net current assets			<u>8,641,995</u>		<u>1,218,586</u>
Net assets			<u>14,302,794</u>		<u>7,390,565</u>
Charity Funds					
Unrestricted funds	12		<u>14,302,794</u>		<u>7,390,565</u>
Total funds			<u>14,302,794</u>		<u>7,390,565</u>

The financial statements were approved by the Trustees on 12 July 2019 and signed on their behalf, by:

.....
Dr P Kane
Director

.....
Mrs S A Kane
Director

The notes on pages 21 to 28 form part of these financial statements.

THE THREE OAKS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 (as updated through Bulletin 1 published on 2 February 2016) and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Three Oaks Trust constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling and are rounded to the nearest £1.

1.2 Going concern

The Trustees consider that the charity will be able to settle outstanding invoices, bills and commitments as they fall due.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when they are communicated as received in writing with notification of both the amount and the settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

THE THREE OAKS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. Accounting policies (continued)

1.4 Expenditure

Resources expended comprise the following:

a) The cost of raising funds to include the fees paid to investment managers in connection with the management of the charity's listed investments, and costs incurred in relation to the investment property.

b) Charitable activities comprise donations and grants payable to individuals, families and organisations who may be in distress, with the principal aim being to further their wellbeing. Grants and donations payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

All expenditure is inclusive of irrecoverable VAT.

1.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Investment property was included on the balance sheet at estimated market value based on a valuation made in March 2008 with professional assistance. The valuation was performed on an open market value basis in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors. Gains and losses, whether unrealised or realised, are shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

1.6 Interest receivable

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

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE THREE OAKS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. Accounting policies (continued)

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The charity 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.

1.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

2. Income from donations and legacies

	Unrestrict ed funds	Total funds	<i>Total funds</i>
	2018	2018	<i>2017</i>
	£	£	£
Donations	19,063	19,063	<i>18,780</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2017</i>	<i>18,780</i>	<i>18,780</i>	
	<hr/> <hr/>	<hr/> <hr/>	

THE THREE OAKS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

3. Investment income

	Unrestricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Rental income receivable	5,092	5,092	2,572
Income from listed investments	124,275	124,275	147,342
Bank interest receivable	7,921	7,921	4,068
Other interest receivable	40,934	40,934	62,814
	<u>178,222</u>	<u>178,222</u>	<u>216,796</u>
<i>Total 2017</i>	<u>216,796</u>	<u>216,796</u>	

4. Costs of raising funds

	Unrestricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Investment property costs	11,682	11,682	7,018
Investment management costs	22,322	22,322	15,981
	<u>34,004</u>	<u>34,004</u>	<u>22,999</u>
<i>Total 2017</i>	<u>22,999</u>	<u>22,999</u>	

5. Analysis of grants

	Grants to Institutions 2018 £	Grants to Individuals 2018 £	Total 2018 £	<i>Total 2017 £</i>
Relief of distress	238,824	64,525	303,349	170,195
<i>Total 2017</i>	<u>125,100</u>	<u>45,095</u>	<u>170,195</u>	

The following institutions received material grants during the year: Crawley Open House £15,000 and Springboard £20,000.

A detailed list of grants payable to institutions during the year is provided in a separate schedule which is available from the charity on request.

THE THREE OAKS TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

6. Support costs

	Relief of distress £	Total 2018 £	Total 2017 £
Sundry expenses	13	13	13
Independent examination fees	3,360	3,360	4,200
Website costs	23	23	43
Bank charges	121	121	75
Travel costs	67	67	33
Trustees' expenses	-	-	500
	<u>3,584</u>	<u>3,584</u>	<u>4,864</u>
<i>Total 2017</i>	<u>4,864</u>	<u>4,864</u>	

7. Net income/(expenditure)

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2017 - 1 Trustee - £500).

8. Investment property

	Freehold investment property £
Valuation	
At 1 October 2017	1,335,813
Disposals	(1,335,813)
At 30 September 2018	<u>-</u>

THE THREE OAKS TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

9. Fixed asset investments

	Listed securities £	Other investments £	Total £
Market value			
At 1 October 2017	4,297,856	538,310	4,836,166
Additions	1,162	768,761	769,923
Disposals	(51,270)	-	(51,270)
Revaluations	74,151	31,829	105,980
	<u>4,321,899</u>	<u>1,338,900</u>	<u>5,660,799</u>
	<u>2,525,626</u>	<u>1,265,868</u>	<u>3,791,494</u>
Historical cost			

Valuation

For listed securities, values have been determined by reference to readily available market prices. Other investments comprise cash held awaiting reinvestment and cash held in long term deposit accounts.

Material investments

At 30 September 2018 BNY Mellon and Findlay Park Funds American each have a market value of above 5% of the entire portfolio. At 30 September 2017 BNY Mellon, Findlay Park Funds American and UK (Govt Of) 4.75% Stk each had a market value of above 5% of the entire portfolio.

10. Debtors

	2018 £	2017 £
Other debtors	8,211	1,039,000
	<u>8,211</u>	<u>1,039,000</u>

Other debtors in the prior year related to a loan provided to Miss Charlotte Fiona Keevil during 2016. This loan was repaid in full on 29th March 2018.

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other creditors	13,741	14,430
Accruals and deferred income	3,900	38,834
	<u>17,641</u>	<u>53,264</u>

THE THREE OAKS TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

12. Statement of funds

Statement of funds - current year

	Balance at 1 October 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2018 £
Designated funds						
Investment fund	4,836,166	-	-	824,633	-	5,660,799
General funds						
General fund	2,554,399	197,285	(340,937)	(824,633)	7,055,881	8,641,995
Total Unrestricted funds	7,390,565	197,285	(340,937)	-	7,055,881	14,302,794
Total of funds	7,390,565	197,285	(340,937)	-	7,055,881	14,302,794

Designated funds represent funds held as fixed asset investments. During the year an amount was transferred in from general funds equivalent to the movement in the value of fixed asset investments.

Statement of funds - prior year

	Balance at 1 October 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 September 2017 £
Designated funds						
Investment fund	4,842,784	-	-	(6,618)	-	4,836,166
General funds						
General fund	2,484,223	235,576	(198,058)	6,618	26,040	2,554,399
Total Unrestricted funds	7,327,007	235,576	(198,058)	-	26,040	7,390,565
Total of funds	7,327,007	235,576	(198,058)	-	26,040	7,390,565

THE THREE OAKS TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

13. Grant Commitments

	Total 2018 £	<i>Total 2017 £</i>
At 30 September 2018 the charity had commitments as follows:		
Commitments in respect of grants approved for projects which have not been accrued in the financial statements but will form part of grants:		
Within one year	25,000	-
Between one and two years	25,000	-
	<hr/> 50,000 <hr/>	<hr/> - <hr/>

14. Related party transactions

During the year the charity received a donation of £15,000 (2017: £15,000) from Mrs Sarah Kane (trustee).

In 2016 interest was received in respect of a loan issued in the same year to Miss Charlotte Fiona Keevil (sister of Mrs Sarah Kane). The interest was deferred over the term of the loan and £34,934 was recognised in the Statement of Financial Activities for the year ended 30 September 2018. A further £6,000 of interest was received upon full repayment of the loan and recognised in the Statement of financial activities for the year ended 30 September 2018.