



# The True Colours Trust

ANNUAL REPORT

5 APRIL 2014

The Peak  
5 Wilton Road  
London SW1V 1AP



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## Legal and Administrative

The True Colours Trust (No. 1089893) was established under a Trust Deed dated 20 August 2001.

<b>Trustees</b>	Ms L A Sainsbury (Settlor) Mr T G Price Mr D B Flynn Mr B J C Willis
<b>Registered Office</b>	The Peak 5 Wilton Road London SW1V 1AP
<b>Principal Officers</b>	Mr A Bookbinder                      Director Mr P Spokes                          Finance Director Ms J Ecclestone Ford              Executive Mrs E Ponte                          Executive
<b>Bankers</b>	Child & Co 1 Fleet Street London EC4Y 1BD
<b>Solicitors</b>	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ
<b>Auditors</b>	Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
<b>Investment Advisers</b>	Cazenove Capital Management 102 Moorgate London EC2R 6DA
<b>Investment Powers</b>	The Trust Deed empowers the Trustees to appoint investment advisers who have discretion to invest the funds of the Trust within guidelines established by the Trustees.
<b>Objects</b>	The objects of the Trust as given in the Trust Deed are for general charitable purposes.

## **Organisation**

The True Colours Trust seeks to make a positive difference to the lives of children and young people with disabilities and their families and to support people with life limiting and/or life threatening illnesses.

The Trustees' grant making continues to focus on the following three areas:

- Improving service delivery and support offered to children and young people with complex disabilities and palliative care needs in the UK
- Strengthening the support offered to the families and siblings of children and young people with complex disabilities and palliative care needs in the UK
- Promoting and developing palliative care programmes for adults and children in sub-Saharan Africa

The Trust works closely with organisations that share its ambitions to provide imaginative, practical and often ground-breaking services in addition to delivering programmes that bring about sustained change whether at the level of policy or practice.

This year the Trustees were supported by two additional members of staff, Jo Temple and Helen McLeod, who covered Jo Ecclestone Ford's maternity leave; they would like to thank Jo and Helen for their valuable contribution during this time. They were also advised by Maggie Baxter OBE and Olivia Dix on their work in Africa, and by Christine Lenehan OBE and Maggie Baxter OBE on their work in the UK.

## **Children and Young People with Complex Disabilities in the UK**

Research has shown that 55% of families with a disabled child live on the poverty line, primarily because of the additional costs of raising a disabled child. It also highlighted the emotional strain most families live with and the desperate need for respite care, appropriate childcare provision and accessible activities and services for disabled children. Although much progress has been made over the last ten years, there is still a long way to go.

The Trustees remain committed to making life better for children and young people with profound disabilities and their families and to tackling the structural barriers which hinder these children and their families from living happy fulfilled lives.

The Trustees' grant making in this category is focused on the following areas:

- Support for organisations leading the way in developing services and opportunities for children and their families
- Raising the profile of disabled children and their families with central and local government
- Raising the profile of the siblings of disabled children and supporting services to meet their needs



This year the Trustees made further grants to two organisations doing exceptional work with families of disabled children. The first was Sibs which is the UK's leading charity supporting siblings of disabled children and the second was Sky Badger, an interactive website which signposts families with disabilities to activities and resources.

The Trustees also continue to support the Every Disabled Child Matters campaign, which has been very successful in raising the profile of disabled children and securing additional statutory funding for services. The Trustees have supported the campaign since its inception and continue to do so to ensure that national commitments to disabled children and their families are honoured.

### **Palliative Care for Children and Young People in the UK**

The Trustees believe that all children and young people with a life limiting or life threatening illness have the right to quality palliative care.

The Trustees subscribe to the WHO definition of palliative care.

Palliative care improves the quality of life of patients and their families facing the problems associated with life limiting illnesses. It treats the patient's pain and symptoms and it is applicable early in the course of an illness, in conjunction with curative treatments, and at the end of life. Crucially palliative care also supports the patient's family through the illness and their bereavement.

The understanding and provision of palliative care for children and young people in the UK are inconsistent. Although there are some excellent service providers, too few families receive the help they need during a very difficult time in their lives. There should be a range of services available to allow children and families to choose how and where they receive support. There should also be specific support available to help parents and siblings through a very emotional and challenging time.

The Trustees were delighted that children's services were included in the Coalition Government's 2010 commitment 'to introduce a new per-patient funding system for all hospices and providers of palliative care'. They are hopeful that it will be the 'fair and transparent funding system' which the independent review commissioned by the Secretary of State for Health in 2010 set out to create and look forward to reviewing NHS England's report of the possible options which is due later this year.

The Trustees continue to support the development of the children's palliative care sector through grants, which have been used for a variety of different purposes, from influencing national policy to demonstrating best practice at local, regional and national levels.

This year the Trustees have focused on the following areas:

- Piloting a new model of volunteering to provide practical support to families of children with life limiting and life threatening conditions. This programme has been jointly developed with, and co-funded by, The Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry



- Continuing to support a grants programme through Bliss to improve family centred care in neonatal units across the UK
- Supporting excellence and innovation at a regional level through a grant to St Oswald's Hospice in Newcastle

Alongside these grants, the Trustees continue to fund the UK's first Professorial Chair in Palliative Care for Children and Young People.

### **Palliative Care in sub-Saharan Africa**

The Trustees are committed to improving access to affordable palliative care for adults and children in sub-Saharan Africa, prioritising the need for appropriate pain relief and the integration of palliative care services into established health systems.

The need for palliative care is particularly acute in sub-Saharan Africa where it is estimated that there are 22 million people living with HIV and that the number of people with cancer will double in the next twenty years. The lack of availability of opioids for the treatment of moderate to severe pain, as recommended by the WHO, means that people with life limiting illnesses suffer unnecessarily. In addition, the widespread introduction of anti-retroviral drugs has not decreased the need for palliative care; patients are living longer but are still ageing and suffering from symptoms of HIV as well as side effects of the medication.

The international community is beginning to take note of the importance of palliative care. In May 2014 the World Health Assembly adopted its first ever resolution on palliative care which urges all member states to integrate palliative care into their health systems, allocate appropriate financial and human resources towards it and to ensure that health workers are trained in palliative care at a basic, intermediate and specialist level. The Trustees will continue to support international palliative care advocates and in-country service providers to ensure that the WHA's recommendations are implemented.

The inclusion of palliative care on such an important global agenda is testament to the tireless advocacy of organisations like the African Palliative Care Association and the International Children's Palliative Care Network who have worked collegiately with others to raise the profile of palliative care and influence policy at a regional and international level. The Trust has made further grants to both organisations this year to enable them to continue this important work.

This year the Trust has continued to focus a significant portion of its funding on integrating palliative care into the public health system in Southern Malawi and across Kenya. This builds upon the success of work it funded through the Waterloo Coalition in 2011/12. The programmes are led by the national palliative care association in each country and primarily focus on training staff and improving the distribution of essential palliative care medicines, including opioids. Each programme continues to yield impressive results. In the programmes' third year of operation, the Kenya Hospice and Palliative Care Association recorded that 10 out of the 11 national referral hospitals had consistent access to morphine while the Palliative Care Association of Malawi noted that 11 of the 13 district hospitals in the Southern Region



had consistent access to morphine (classed as 75% of the time in Malawi). When the projects began in 2011 none of the hospitals had consistent access to morphine.

The Trust's focus of working within the public health systems in Malawi and Kenya should ensure that these gains are sustainable: in Kenya the Secretary of Health has pledged to include palliative care in next year's budget and all 13 districts in Malawi now include palliative care in their district health plans with an allied budget line.

### **Small Grants, Africa**

This year the Trustees made a further grant to the African Palliative Care Association to administer its small grants scheme to support the development of local palliative care services across the continent.

All funding decisions on this small grants scheme are made twice each year by the True Colours Trust, with applications and approved grants being administered by the African Palliative Care Association. Trustees favour support for items which directly improve the patient experience and the standard of palliative care services. Funding is primarily for one-off projects, although the Trustees are willing to consider funding for core costs. The size of grants ranges from £500 – £5,000.

Further information about the scheme can be found on the Trust's website [www.truecolourstrust.org.uk](http://www.truecolourstrust.org.uk).

### **Small Grants, UK**

The Trustees are committed to supporting a large number of excellent local organisations and projects that work with children with disabilities and palliative care needs and their families. This is done through the Trust's small grants programme. It provides grants of up to £10,000 to help smaller organisations develop and deliver programmes for children, their siblings and families. It is open to applications at any time. Grants in this category are usually one-off contributions rather than multi-year grants for on-going revenue costs.

The Trustees are particularly keen to support:

- Hydrotherapy pools
- Multi-sensory rooms
- Minibuses
- Young carers projects
- Sibling projects
- Bereavement support
- Specialised play equipment

The Trustees also administer a small grants programme for individual young people between the ages of 18 to 26 who have a disability and/or complex health care need. Applications are welcome from or on behalf of any young person in this age group. Support will also be considered for families (including siblings) who care for a young person who falls within this age bracket. The criteria for applications can be found on the Trust's website [www.truecoloustrust.org.uk](http://www.truecoloustrust.org.uk). The maximum grant award in this category is £500.



## **Applications**

The Trustees welcome unsolicited applications for their small grants programmes, both in the UK and in Africa. They are keen to make these programmes available to as many organisations as possible; it is therefore unlikely that they will fund any organisation in consecutive years.

Proposals for the Trust's other programmes are generally invited by the Trustees or initiated at their request. The Trustees are keen to learn more about organisations whose work fits into their areas of focus but unsolicited applications are not encouraged and are unlikely to be successful.

## **Reserves Policy**

In the year under review, there was a deficit of income over expenditure on the unrestricted funds of £2,032,062. This has been funded by a transfer from expendable endowment. Whenever this may be necessary in the future, the Trustees are prepared to fund grant commitments from expendable endowment.

Although some grants have been accrued, others totalling £358,600 have not been provided for in the Statement of Financial Activities as they are due to be paid more than twelve months after the year end. They represent funds earmarked for continued support to certain existing beneficiaries, although formal commitments have not yet been made.

The Trustees regularly review cash flow projections for income and expenditure, to ensure that the level of disposable net assets is adequate and that the Trust is in a position to meet all its commitments.

## **Investment Policy**

The Trust holds significant money market deposits to enable the Trust to draw on capital rapidly when required. The remaining funds are held in a spectrum of investments to generate unrestricted income in accordance with the Trustees' guidelines.

## **Risk Assessment**

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, systems are in place adequate to manage such potential risks as the Trustees have identified. They continue to keep processes under review.

## **Charity and Public Benefit**

Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information in this annual report, about the Trust's aims, activities and achievements in the areas it supports to demonstrate the benefit to its beneficiaries and through them to the Public, that arise from those activities.

## Financial Overview of the Past Year

The Trustees met four times during the year to make grants and twice to review investments.

The Settlor made a generous donation of £1.94 million in the year, which has been added to Expendable Endowment. The asset value of the Trust increased from £10.29 million at 5 April 2013 to £10.39 million at 5 April 2014, an increase of 1% which is mainly attributable to the gift referred to above and improved stock markets over the year.

Total incoming resources allocated to unrestricted funds for the year were £218,790 (compared to £330,892 in 2012/13).

The Trustees continue to approve grants worth significantly more than the income for the corresponding period in accordance with the approach set out in the Reserves Policy. During the year Trustees approved 120 grants totalling £1,514,785 some of which are payable over more than one year. Payments made during the year totalled £1,947,583. Grants approved and paid during the year may be analysed by value and percentage across the Trust's grant-making categories as set out below:

Payments Made			Grants Approved		
%	£		£	%	Number
23%	451,343	Children and Young People with Complex Disabilities in the UK	199,700	13%	2
33%	638,708	Palliative Care for Children and Young People in the UK	318,944	21%	2
36%	707,150	Palliative Care in sub-Saharan Africa	862,291	57%	8
8%	148,982	Small Grants UK	133,850	9%	108
0%	1,400	General	-	0%	0
<b>100%</b>	<b>1,947,583</b>		<b>1,514,785</b>	<b>100%</b>	<b>120</b>

## GRANTS APPROVED

### **Children and Young People with Complex Disabilities in the UK - £199,700**

#### Sibs - £139,700

Towards core costs and the development and maintenance of Sibs' websites.

#### Sky Badger - £60,000

Towards core costs.

### **Palliative Care for Children and Young People in the UK - £318,994**

#### Community Service Volunteers - £295,000

To pilot a new model of volunteering. This programme is jointly funded with the Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry.

#### St Oswald's Hospice - £23,944

Towards the appointment of a part-time Consultant in Paediatric Palliative Care and the salary costs of the Network Support Manager.

### **Palliative Care in sub-Saharan Africa - £862,291**

#### African Palliative Care Association (APCA) - £285,041

Towards core costs and to support a number of delegates to attend the APCA conference.

#### African Palliative Care Association - £275,000

Towards the True Colours Small Grants Scheme in Africa which is administered by APCA.

#### Evidence Centre - £2,000

Towards additional travel costs and accommodation, associated with evaluating work supported by the trust in Kenya and Malawi.

#### International Children's Palliative Care Network - £260,250

Towards core costs.

#### Palliative Care Association of Malawi - £40,000

Towards the salary and travel costs of the Drug Advocacy Officer to improve the supply and distribution of essential palliative care medicines in Malawi.



## Small Grants UK - £133,850

### ACTA - £7,604

Towards the young carers' project "Me Time".

### Children's Trust - £5,000

Towards the transportation costs of its fleet of specially adapted vehicles.

### Friends of Victoria - £5,000

Towards equipment for the new outside play area.

### Grapevine - £6,000

Towards the Teenvine project.

### Kingston Bereavement Service - £5,000

Towards the Saying Goodbye Project.

### LimbPower - £5,000

Towards the Primary and Junior Games in 2013.

### Music as Therapy International - £9,200

Towards its UK project, Interactive Music-Making.

### Norfolk Carers Support - £9,741

Towards its Young Carers Support Groups.

### Small Steps - £13,200

Towards group sessions for the spring term 2014.

### Student Community Action - £5,085

Towards its Big Sibs project.

### TIC+ - £5,000

Towards the bereavement and loss counselling service for children and young people.

### TopCats - £10,000

Towards its after school club, and a contribution towards the purchase of a wheelchair adapted minibus.

### Wirral Toy Library - £7,465

Towards equipment for the new sensory room.

In addition, small grants were made to other organisations totalling £30,035 in this category.



**Cancelled Grants**

Grants to the value of £10,520 were cancelled during the financial year as they were no longer required for the purposes for which they were awarded.

Approved by the Trustees on 1 October 2014 and signed on their behalf by:

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TRUSTEE

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2014**

	Notes	Unrestricted Funds £	Expendable Endowment £	Total Funds 2014 £	Total Funds 2013 £
<b>Incoming resources</b>					
Donations and gifts		-	1,937,500	1,937,500	1,745,000
Investment income	2	183,306	-	183,306	130,963
Bank deposit interest		3,044	-	3,044	3,828
Interest on short term deposits		32,440	-	32,440	64,501
Other Income		-	-	-	11,600
<b>Total incoming resources</b>		<b>218,790</b>	<b>1,937,500</b>	<b>2,156,290</b>	<b>1,955,892</b>
<b>Resources expended</b>					
<b>Cost of generating funds:</b>					
Investment management costs		-	59,184	59,184	41,699
<b>Charitable activity</b>					
Grant-making:					
Grant expenditure	3	2,053,342	-	2,053,342	1,791,248
Grant related support costs	4	191,927	-	191,927	179,277
Cost of Grant-making		2,245,269	-	2,245,269	1,970,525
Governance costs	4	5,583	-	5,583	5,395
<b>Total resources expended</b>		<b>2,250,852</b>	<b>59,184</b>	<b>2,310,036</b>	<b>2,017,619</b>
Net (resources expended)/incoming resources before transfers		(2,032,062)	1,878,316	(153,746)	(61,727)
<b>Transfers</b>					
Transfers between funds		2,032,062	(2,032,062)	-	-
Net resources after transfers		-	(153,746)	(153,746)	(61,727)
<b>Other Recognised Gains and Losses</b>					
Gains and (losses) on investment assets					
Realised		-	465,269	465,269	84,503
Unrealised	7,10	-	(213,125)	(213,125)	413,017
Effect of foreign exchange rate changes		-	-	-	(27)
Net movement in funds		-	98,398	98,398	435,766
<b>Reconciliation of funds</b>					
Total funds brought forward		-	10,294,158	10,294,158	9,858,392
Total funds carried forward		-	10,392,556	10,392,556	10,294,158

The notes on pages 15 to 19 form part of these accounts

There are no gains and losses in either the current or preceding year other than those recognised in the statement of financial activities.



## BALANCE SHEET AS AT 5 APRIL 2014

	<i>Notes</i>	2014	2013
		£	£
<b>FIXED ASSETS</b>			
Tangible fixed assets	<b>6</b>	39,040	43,920
Investments	<b>7</b>	10,886,031	8,632,434
		<u>10,925,071</u>	<u>8,676,354</u>
<b>CURRENT ASSETS</b>			
Debtors	<b>8</b>	422,370	64,393
Cash at bank and in hand		663,274	3,069,319
		<u>1,085,644</u>	<u>3,133,712</u>
<b>CURRENT LIABILITIES</b>			
<b>Creditors</b> - amounts falling due within 1 year	<b>9</b>	1,618,159	1,515,908
		<u>1,618,159</u>	<u>1,515,908</u>
<b>NET CURRENT LIABILITIES</b>		(532,515)	1,617,804
<b>NET ASSETS</b>		<u>10,392,556</u>	<u>10,294,158</u>
<b>CAPITAL FUNDS</b>			
Expendable endowment	<b>10</b>	10,392,556	10,294,158
<b>INCOME FUNDS</b>			
Unrestricted funds	<b>10</b>	-	-
		<u>10,392,556</u>	<u>10,294,158</u>

The financial statements were approved and authorised for issue by the Trustees on 1 October 2014 and were signed on their behalf by :

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TRUSTEE

The notes on pages 15 to 19 form part of these accounts

## CASH FLOW STATEMENT FOR THE YEAR ENDED 5 APRIL 2014

### RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	<u>2014</u>	<u>2013</u>
	£	£
Net outgoing resources	(153,746)	(61,727)
Depreciation charge	4,880	4,880
Increase in debtors	(357,977)	(26,018)
Increase/(decrease) in creditors	102,251	(15,512)
Net cash outflow from operating activities	<u>(404,592)</u>	<u>(98,377)</u>

### CASH FLOW STATEMENT

	<u>2014</u>	<u>2013</u>
	£	£
Net cash outflow from operating activities	(404,592)	(98,377)
Capital expenditure and financial investment:		
Purchase of investments	(7,034,412)	(6,537,995)
Sale of investments	5,032,959	8,257,757
Purchase of tangible fixed assets	-	(48,800)
Effect of foreign exchange rate changes	-	(27)
	<u>(2,001,453)</u>	<u>1,670,935</u>
Increase in cash	<u>(2,406,045)</u>	<u>1,572,558</u>

### Analysis of increase in cash during the year

	<u>2014</u>	<u>2013</u>	<u>Change in year</u>
	£	£	£
Cash at bank and in hand	663,274	3,069,319	(2,406,045)
	<u>663,274</u>	<u>3,069,319</u>	<u>(2,406,045)</u>

The notes on pages 15 to 19 form part of these accounts



## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities", applicable accounting standards and the Charities Act 2011, and comply with the Charities (Accounts and Reports) Regulations 2008 issued under the Charities Act 2011.

The principal accounting policies adopted are as follows:

#### a) Income

- (i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded only when it has been received.

#### b) Grants payable

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for within the Statement of Financial Activities.

Grants approved subject to conditions that have not been met at the year end are noted as a commitment but not accrued as expenditure (see note 3).

#### c) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities.

Investments are shown at mid market value.

Partial disposals are accounted for using average book value.

#### d) Support costs

Most of these costs support the grant-making activity of the Trust and are so allocated. They comprise in the main a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Trust matters and grants paid.

#### e) Charitable activities

The Trustees consider that grant-making is the Trust's sole charitable activity.

#### f) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant together with an allocation of support costs.

#### g) Depreciation

Fixed assets are depreciated at rates which reflect their useful life to the Trust.

The following rate has been used:

Leasehold improvements - 10% per annum straight line.

### 2. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2014		2013	
	£	%	£	%
Government fixed interest	13,437	7	8,644	7
Other fixed interest	71,404	39	51,181	39
UK equities	98,465	54	71,138	54
	<u>183,306</u>	<u>100</u>	<u>130,963</u>	<u>100</u>



## NOTES TO THE ACCOUNTS

### 3. GRANTS PAYABLE

	2014		2013	
	£	£	£	£
<b>Reconciliation of grants payable:</b>				
Commitments at 6 April 2013		1,492,016		1,514,570
Grants not accrued at 6 April 2013	907,677		481,267	
Grants approved in the year	1,514,785		2,263,289	
Grants cancelled or refunded	(10,520)		(45,632)	
Grants not accrued at 5 April 2014	(358,600)		(907,677)	
<b>Grants payable for the year</b>		<b>2,053,342</b>		<b>1,791,247</b>
Grants paid during the year		(1,947,583)		(1,813,801)
Commitments at 5 April 2014		<u>1,597,775</u>		<u>1,492,016</u>

#### Commitments at 5 April 2014 are payable as follows:

	2014		2013	
	£	£	£	£
Within one year (note 9)		<u>1,597,775</u>		<u>1,492,016</u>

#### Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued as expenditure at 5 April 2014 was £358,600 (2013: £907,677).

The grants payable in the year include the following:

	£
<b><u>Children and Young People with Complex Disabilities in the UK</u></b>	
Council for Disabled Children	100,000
Oily Cart	65,000
Sibs	94,100
Grants up to £50,000 were also made	164,037
<b><u>Palliative Care for Children and Young People in the UK</u></b>	
Community Service Volunteers (CSV)	295,000
Great Ormond Street Hospital Children's Charity	279,591
Together for Short Lives	50,000
Grants up to £50,000 were also made	39,685
<b><u>Palliative Care in sub-Saharan Africa</u></b>	
Africa Palliative Care Association	371,000
International Children's Palliative Care Network	197,250
Kenya Hospices and Palliative Care Association (KEHPCA)	86,035
Umodzi Children's Palliative Care	142,368
Grants up to £50,000 were also made	101,041
<b><u>Small Grants UK</u></b>	
Grants up to £10,000 were also made	68,235
<b>Total grants payable per Statement of Financial Activities</b>	<b><u>2,053,342</u></b>

## NOTES TO THE ACCOUNTS

### 4. ALLOCATION OF SUPPORT COSTS

	2014		2013		
	Grant-Making	Governance	Total Allocated	Grant-Making	Governance
	£	£	£	£	£
Staff costs	126,465	2,235	128,700	105,945	2,143
Share of joint office costs	31,100	-	31,100	26,700	-
Direct costs including travel	11,597	-	11,597	17,769	-
Legal and professional fees	6,385	-	6,385	10,250	-
Consultancy	11,500	-	11,500	13,733	-
Depreciation	4,880	-	4,880	4,880	-
Auditors' remuneration	-	3,348	3,348	-	3,252
	191,927	5,583	197,510	179,277	5,395

Included above is £6,385 payable for legal services to Portrait Solicitors, a firm in which Mr D B Flynn is a partner. No Trustee received remuneration or was reimbursed expenses during the year.

### 5. ANALYSIS OF STAFF COSTS

	2014	2013
	£	£
Wages and salaries	103,824	87,404
Social security costs	12,071	10,214
Other pension costs	12,805	10,470
	128,700	108,088

As mentioned in Note 1(d), the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 3.8% of the total support and administration costs of these trusts have been allocated to the True Colours Trust, including a proportionate share of the costs of employing the total number of staff serving in the office in 2013/14. Staff costs equivalent to 2.2 full time employee were charged to the True Colours Trust in 2013/14. (2012/13 - 1.8)

### 6. TANGIBLE FIXED ASSETS

#### Leasehold Improvements

	2014	2013
	£	£
<b>Cost</b>		
At 6 April 2013	48,800	10,000
Additions	-	48,800
Disposals	-	(10,000)
At 5 April 2014	48,800	48,800
<b>Amortisation</b>		
At 6 April 2013	4,880	10,000
Charge for the year	4,880	4,880
On disposals	-	(10,000)
At 5 April 2014	9,760	4,880
<b>NET BOOK VALUE</b>		
At 5 April 2014	39,040	43,920
<b>NET BOOK VALUE</b>		
At 5 April 2013	43,920	-

## NOTES TO THE ACCOUNTS

### 7. FIXED ASSET INVESTMENTS

	2014	2013
	£	£
Market value 6 April 2013	8,632,434	9,854,676
Less: Disposals at book value	(4,567,690)	(8,173,254)
Add: Acquisitions at cost	7,034,412	6,537,995
Net gains on revaluation	(213,125)	413,017
<b>Market value 5 April 2014</b>	<b>10,886,031</b>	<b>8,632,434</b>
Historical cost 5 April 2014	10,864,677	8,189,723

The investments held as at 5 April 2014 were as follows:

	2014		2013	
	Cost	Market Value	Cost	Market Value
	£	£	£	£
Direct investment in listed UK and overseas securities				
Government fixed interest	1,269,393	1,249,589	564,907	631,797
Other fixed interest	1,179,371	1,118,532	1,376,690	1,330,713
UK equities	3,447,696	3,580,489	2,827,637	3,200,474
Overseas equities	333,934	303,138	406,822	455,783
Money Market deposits	4,634,283	4,634,283	3,013,667	3,013,667
	<b>10,864,677</b>	<b>10,886,031</b>	<b>8,189,723</b>	<b>8,632,434</b>

### 8. DEBTORS

	2014	2013
	£	£
Income tax recoverable	387,500	-
Other debtors	34,870	64,393
	<b>422,370</b>	<b>64,393</b>

### 9. CREDITORS

	2014	2013
	£	£
Grants payable within one year	1,597,775	1,492,016
Professional charges	6,276	8,893
Investment management fee	14,108	14,999
	<b>1,618,159</b>	<b>1,515,908</b>

## NOTES TO THE ACCOUNTS

### 10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Expendable Endowment	Totals 2014
	£	£	£
Fund balances at 5 April 2014 are represented by:			
Tangible fixed assets	-	39,040	39,040
Investments	-	10,886,031	10,886,031
Current assets	1,604,051	(518,407)	1,085,644
Current liabilities	(1,604,051)	(14,108)	(1,618,159)
<b>Total net assets</b>	-	10,392,556	10,392,556

	Unrestricted Funds	Expendable Endowment	Totals 2014
	£	£	£
<b>Unrealised gains</b>			
On investment assets (see note below)	-	21,354	21,354
Total unrealised gains at 5 April 2014	-	21,354	21,354

#### Reconciliation of movements in unrealised gains on investment assets

Unrealised gains at 6 April 2013	-	442,711	442,711
Less in respect of disposals in year	-	(208,232)	(208,232)
	-	234,479	234,479
Net gain/(loss) on revaluation	-	(213,125)	(213,125)
Unrealised gains at 5 April 2014, as above	-	21,354	21,354

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity 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 its net outgoing resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE TRUE COLOURS TRUST

We have audited the financial statements of The True Colours Trust for the year ended 5 April 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes numbered 1 to 10.

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).

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees 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 Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2014 and of its outgoing resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Crowe Clark Whitehill LLP**  
Statutory Auditor  
London

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