

**DM Thomas Foundation for Young People
(formerly known as Hilton in the Community Foundation)**

Annual report and financial statements
Year ended
31 December 2015

Charity Number: 1084220 (England & Wales) SC038995 (Scotland)

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

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REFERENCE AND ADMINISTRATION DETAILS

Foundation President

Ian Carter
(appointed 15 June 2006)

Trustees (2 year position)

At date of approval of the financial statements

Simon Vincent OBE, Chairman
(appointed 12 February 2007; appointed Chairman 19 December 2007;
reappointed 9 April 2010; and 13 December 2013)

Dame Maureen Thomas DBE, Deputy Chairman
(appointed 17 November 2000; reappointed 12 December 2002; 20
April 2005; 9 March 2007; appointed Deputy Chairman 22 April 2009;
reappointed 7 September 2011; 13 December 2013; and 15 April 2016)

Ramesh Dewan

(appointed 3 September 2004; reappointed 9 March 2007; 22 April
2009; 1 June 2011; 13 December 2013; and 15 April 2016)

William Differ

(appointed 15 December 2006; reappointed 12 December 2008; 21
January 2011; 2 August 2013; and 15 April 2016)

Paul Farrow

(appointed 7 September 2011; reappointed 17 April 2015)

Chris Ring

(appointed 1 July 2011, reappointed 13 December 2013; and 15 April
2016)

DMTFYP Trading Limited

Directors

Paul Farrow
(appointed 19 September 2014)

Chris Ring

(appointed 26 September 2014)

Foundation Director

Simon Sheehan
(appointed 1 October 2004)

Registered Name

DM Thomas Foundation for Young People
Registered Charity No. 1084220 (England &
Wales) SC038995 (Scotland)

Principal office

DM Thomas Foundation for Young People
179-199 Holland Park Avenue
London W11 4UL
United Kingdom

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Fax: +44 20 7605 7736

Email: info@dmfyp.org

Website: www.dmthomasfoundation.org

Auditors

Knox Cropper
8/9 Well Court
London EC4M 9DN

Bankers

Royal Bank of Scotland
Corporate Banking Office
P.O. Box 450
5-10 Great Tower Street
London EC3P 3HX

Registered Name

DMTFYP Trading Limited
Company No. 07361008
VAT No. 997 7188 35

Registered office

DMTFYP Trading Limited
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In this report and financial statements DM Thomas Foundation for Young People (formerly known as Hilton in the Community Foundation) is referred to as “Foundation” or the “charity”.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees present their report together with the audited consolidated financial statements of DM Thomas Foundation for Young People (formerly known as Hilton in the Community Foundation until 12 December 2014) and its subsidiary company DMTFYP Trading Limited (formerly known as HCF until 29 June 2015) for the year ended 31 December 2015.

DM Thomas Foundation for Young People is constituted under a trust deed dated 21 December 2000 and is a registered charity in England and Wales (No. 1084220) as well as in Scotland (No. SC038995). The Foundation's trust deed was amended in 5 October 2005 to allow trustee indemnity insurance. The Deed was further amended on 12 December 2014 changing its name and changing the appointment process for trustees, removing the need for Hilton nominated board members, and enabling the Foundation office to administer bank accounts on behalf of the trustees within the authorisation limits set by the board. The Foundation is registered as an Institution for General Benefit with the tax authorities in the Netherlands (October 2009) and with the tax authorities in Denmark (December 2010) as a charitable organisation so that the Foundation can work with local hotels to fundraise for local charities that fall under the Foundation's remit. On 1 May 2011 Hilton Hotels Cyprus registered an affiliate foundation in Cyprus, Cyprus Hilton Charity Foundation, with its own constitution and trustees, to undertake activities in Cyprus. There is no formal funding arrangement or legal responsibilities between the two foundations however the executive of the UK charity advise on fundraising activities.

In 2015 the Foundation awarded 486 grants totalling £1,201,735 (2014: 614 grants totalling £1,346,370), a decrease of 10%, and had a gross income totalling £1,505,168 (2014: £2,184,587), a decrease of 31%.

TRUSTEES AND OTHER KEY MANAGEMENT PERSONNEL

The trustees consider that the board of trustees and the Foundation Director comprise the key management personnel of the Foundation who are in charge of directing and controlling the Foundation as well as running and operating it on a day to day basis.

The trustees who served during the year to 31 December 2015 and to the date the report was approved are listed on page 2. Trustees hold office for a period of two years and may be re-appointed. New trustees are identified and nominated by existing members.

On 12 December 2014 the trustees passed a deed of amendment which removed Hilton Worldwide's involvement from the nomination process for trustees and the need for "nominated trustees". All trustees are now co-opted trustees and serve a term of two years (once their term at the time of the change expires). Trustees can hold positions with any of the Foundation's corporate partners however they remove themselves from any decision if there is a conflict of interest. Existing members of the board are retained for the duration of their current term and can be re-elected.

The trustees are all unpaid volunteers. A trustee may receive reasonable and proper remuneration for professional services rendered to the charity and reasonable out of pocket expenses. No such payments were made during the year (as set out in note 6). Trustee Indemnity Insurance, as agreed with the Charity Commission in 2005, is in place and the premium is paid by the Foundation.

The Foundation has a formal procedure for inducting new trustees to ensure that he or she is fully familiar with past history and current strategies and activities. Training is provided at the request of trustees. On an ongoing basis pertinent Charity Commission briefings as well as Foundation updates, including a quarterly update, are provided to all trustees.

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The pay of the Foundation Director is reviewed annually and normally increased in accordance with inflation. The remuneration is also bench-marked with similar grant-making charities to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles (see note 6).

HILTON WORLDWIDE RELATIONSHIP

As one of Hilton Worldwide's nominated charity partners in Europe, the company's team members and hotels may choose to raise funds for the DM Thomas Foundation for Young People. The support provided by Hilton Worldwide to the Foundation takes many forms, including contributions towards administration costs, office space at a peppercorn rent from the hotel owner (lease signed on 3 February 2015 and expiring on 31 December 2019) and the provision of hotel and conference facilities for fundraising events without charge, or at discounted rate. No remuneration is paid by the Foundation to Hilton Worldwide or Hilton Worldwide personnel in respect of their voluntary participation in fundraising activities. All decisions concerning the Foundation and its grant giving are taken by the trustees or their appointed committees and are independent from Hilton Worldwide.

A Funding Agreement with Hilton Worldwide terminated at the end of 2012. Funds generated from activity or event specific agreements with Hilton Worldwide are held in the Administration Fund (established by the trustees with previous surplus Hilton Worldwide funding) and used to cover the salary costs of the Foundation's team and running costs of the office, along with funds held in the Expendable Endowment. In December 2011 the trustees amended the Foundation's funding statement to enable a proportion of general funds raised from 2012 onwards to be used to cover administration costs alongside any contributions from Hilton Worldwide should the Administration Fund and Expendable Endowment not have enough funds. Income generated from trading and investments held by the Foundation are also added to the Administration Fund. In 2015 £153,000 of general funds was used to cover administration costs (2014: £Nil).

The Foundation remains one of the European charity partners for Hilton Worldwide. Hilton Worldwide Team Members and hotels may choose, but shall not be required, to hold ticketed events and sell merchandise to support the work of the Foundation, as they would for any other charitable organisation. A three year partnership agreement with Hilton Worldwide was signed on 25 February 2015.

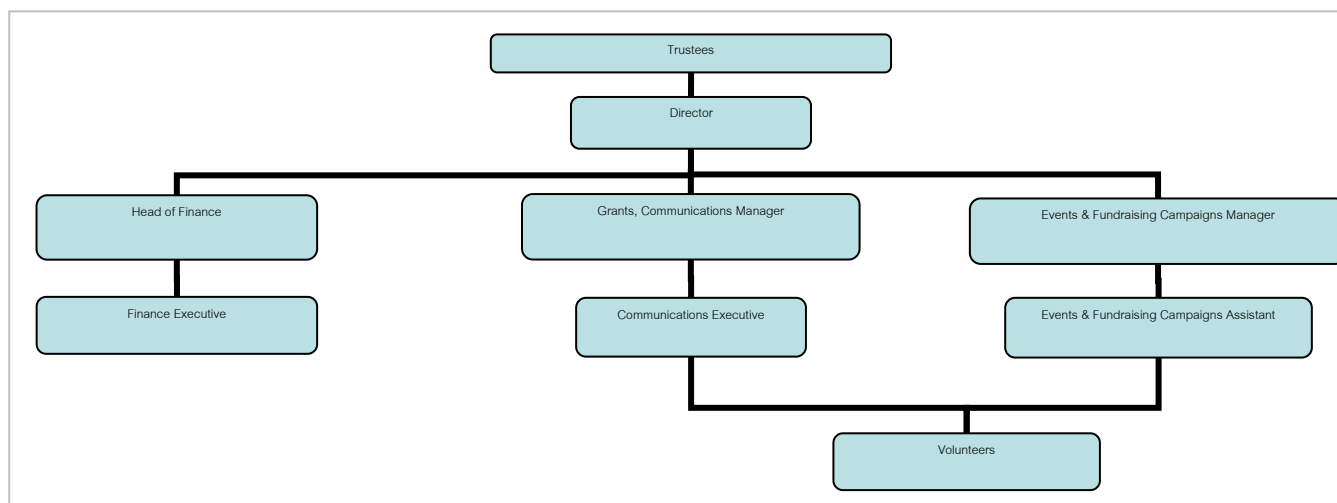
Any trustee of the Foundation who is an employee of Hilton Worldwide or any company associated with Hilton Worldwide must abstain from participating in any Foundation meeting at which the fundamental relationship with Hilton Worldwide is discussed or reviewed, unless requested to observe by the other trustees.

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ORGANISATION

The trustees meet quarterly. Subcommittees are formed for specific functions, including grants and events. Whilst the strategic direction is decided by the trustees, the day-to-day decision making process has been delegated to the Director of the Foundation within specific parameters.

Current Foundation Structure (at date of signing)



TRADING COMPANY

DMTFYP Trading Limited (formerly known as HCF Trading Limited until 29 June 2015) raises funds for the benefit of the Foundation through the sale of merchandise. Profits are donated to the Foundation. There are two Directors of DMTFYP Trading Limited, both of whom are trustees of the Foundation. They hold the issued shares jointly on behalf of the Foundation, and have no beneficial interest in the ordinary shares of the company. Foundation staff time associated with operating DMTFYP Trading Limited is charged to the company.

PRINCIPAL FINANCIAL MANAGEMENT POLICIES

The Foundation prepares an annual budget, which is approved by the trustees. Monthly accounts are prepared to ensure that variances from the budget are monitored. Quarterly accounts are discussed at the trustee meetings. Cash balances in excess of the Foundation's immediate requirements are placed on interest bearing deposit accounts.

GRANT MAKING POLICY

Within the principal objects laid down by the trustees, there are three distinct phases in the consideration, authorisation and disbursement of charitable funds.

For Central Grants the Director and their staff review all applications. Those confirmed as being beyond the remits set out by the trustees are rejected and the applicants informed. Grants in respect of those applications within remit and under £5,000, and, after review, felt to be worthy of support are approved by the Director. A shortlist of the strongest applications within the funding parameters of the Foundation and over £5,000 are submitted to the Grants Committee for consideration. This Committee, under the chairmanship of a trustee, is responsible for assessing each request and calling for additional information as may be necessary. Cases are then rejected or deferred, or grants are approved (if grant awards are equal to or less than £10,000) or submitted to the trustees for endorsement (if grant awards are over £10,000).

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The Grants Committee has a further remit to examine the use of the funds by the beneficiary charities to ensure their proper and effective utilisation.

Wherever appropriate, annual grants can be authorised for periods of up to two years or longer at the trustees' discretion, with the purpose of developing partnerships between the Foundation and the nominated charities.

Hotel Nominated Grants, known as sponsored grants, are treated separately. The trustees have agreed that 50% of funds raised by a hotel or support office in the UK and the Republic of Ireland may be disbursed to recognised charitable causes (both local and international). These sponsored grants are subject to review and approval by the Director and can be for any amount as long as it is under or equal to 50% of the funds raised by that centre.

Funds raised by hotels in Continental Europe are primarily awarded to charities and local causes working in the country where the funds were raised and within the remits of the Foundation's grant giving. Recipients are identified by the local hotels and referred to the Foundation for assessment. Approval of these grants has been delegated to the Director as is the policy for Hotel Nominated Grants in the UK and the Republic of Ireland. In response to natural disaster hotels may nominate causes outside their country that work with young people.

Although there is no designated fund, at times the trustees may at their own discretion decide to award international or disaster response grants from general funds that support relief, reconstruction and development work benefiting young people. To ensure a rapid response, trustees may approve these disaster relief grants between the regular scheduled meetings.

During the year, the Foundation awarded grants totalling £1,201,735 (2014: £1,346,370) a decrease of 10%. Details of these grants are set out in Note 7. Grants are recognised in full in the statement of financial activities in the period they are awarded to the extent that a commitment exists.

INVESTMENT POLICY

There are no restrictions on the charity's power to invest. However, the trustees' policy endeavour to hold investments in ethical funds. The trustees set the investment strategy after considering income requirements and the risk profile. The trustees do not consider high risk or speculative investments as being suitable to invest the charity's reserves and therefore avoid such types of investments. The trustees have adopted a policy of keeping its cash and near cash assets in short-term deposits that can be accessed readily and maximise interest income.

RESERVES POLICY

The trustees have approved a reserves policy. Its objective is to achieve a balance between the need to use voluntary income received to fulfil the Foundation's strategic objectives and the need to retain funds to give sufficient financial flexibility to protect the long term future of the charity's operations and ensure stability in the grant making programme. The trustees aim to maintain free reserves in unrestricted funds (effectively the General Reserve and the Administration Fund) at a level which equates to approximately 12 months of unrestricted expenditure. The trustees consider that this level will provide sufficient funds to respond to applications for grants in the normal course of activities and in cases of urgent need and ensure that support and governance costs are covered.

The balance held as free reserves at 31 December 2015 was £1,367,692. Actual expenditure from the General Reserve and Administration Fund during the current year totalled £1,272,306. The current level of reserves is therefore marginally higher than is needed and this will be addressed in the forthcoming year.

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RELATED PARTIES

A register is held by the Foundation of trustees, its Executives and their related party's interests to ensure no conflict of interest with the work of the Foundation. This declaration is checked at every trustees meeting.

RISK MANAGEMENT

The trustees have assessed the major risks to which the charity and DMTFYP Trading Limited are exposed, in particular those related to the operations and finances of the charity and DMTFYP Trading Limited, and are satisfied that systems are in place to manage those risks.

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Risk chart

Potential Risk	Potential Impact	Risk Rating 1= low 5= very high	Steps to Mitigate Risk	
Governance				
Lack of strategy and forward planning	• Issues addressed without strategic reference	3	<ul style="list-style-type: none"> • Create strategic plan setting out aims objectives and policies • Include alternative strategies for maintaining income from diverse sources in strategic plan • Create and monitor financial budgets • Monitor operational performance and obtain volunteer and beneficiary feedback 	
	• Loss of support from sponsors	2		
	• Financial management difficulties	2		
	• Loss of reputation	3		
Conflict of interest	• Decisions not based on relevant considerations	2	<ul style="list-style-type: none"> • Policy for disclosure of potential conflicts of interest • Procedures for standing down on decisions if conflict exists • Trustee selection process • Adhering to charity commission guidelines 	
	• Impact on reputation	3		
Financial				
Budgetary control and financial reporting	• Budget does not match key objectives and priorities	2	<ul style="list-style-type: none"> • Budgets linked to strategic plan • Timely and accurate monitoring and reporting • Procedures to review credit control, budgetary expenditure and treasury management • Strict control of fund accounting • Setting of quarterly Grants Committee spending limits • Segregation of duties • Financial control procedures • Authorisation limits • Review of budgets and monthly management accounts by director and finance committee 	
	• Inability to meet commitments or key objectives	4		
Fraud or error	• Financial loss	1		
	• Risk to reputation	1		
	• Regulatory action	1		
Investment policy	• Financial loss through inappropriate investment	2		
	• Cash flow difficulties arising from lack of liquidity	2		
	• Loss incurred by trading subsidiary company	3		
Reserves policy	• Inability to meet commitments or planned objectives	3		<ul style="list-style-type: none"> • Reserve policies linked to business plans, activities and identified financial risks • Regular review by trustees
	• Reputational risk	2		

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Potential Risk	Potential Impact	Risk Rating 1= low 5= very high	Steps to Mitigate Risk
Management			
Employment Issues	<ul style="list-style-type: none"> • Employment disputes • Health and safety issues • Claims for injury stress or unfair dismissal • Equal opportunities issues • Recruitment costs and lead times • Loss of experience • Low morale 	<p style="text-align: center;">1 4 2 2 1 2 1</p>	<ul style="list-style-type: none"> • Job descriptions, performance appraisal and feedback • Regular health and safety and fire training • Consider working conditions, training and job satisfaction • Fair and open competition for key posts • Interview and assessment process • Job training and development • Reference and qualification process • Recruitment process • Regular staff meetings • Review rates of pay
Health and safety	<ul style="list-style-type: none"> • Staff injury 	4	<ul style="list-style-type: none"> • Compliance with law and regulation • Statement of policy
Disaster recovery and planning	<ul style="list-style-type: none"> • Computer system failures and loss of data • Destruction of property and records through fire or other disaster 	4 3	<ul style="list-style-type: none"> • Data backup procedures • IT recovery plan • Data backup procedures • Insurance cover
Information Technology	<ul style="list-style-type: none"> • Systems fail to meet operational need • Failure to innovate or update • Loss or corruption of data 	2 2 2	<ul style="list-style-type: none"> • Appraisal of system options • Security and authorisation procedures • Implementation and development procedures • Disaster recovery procedures
Procedure and system documentation	<ul style="list-style-type: none"> • Lack of awareness of procedure and policies • Action taken without proper authority 	1 1	<ul style="list-style-type: none"> • Documentation of policy and procedure • Audit and review of systems

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Potential Risk	Potential Impact	Risk Rating 1= low 5= very high	Steps to Mitigate Risk
Compliance risks including <ul style="list-style-type: none"> • Charity law • Data protection • Employment law • Health and safety law • Gambling commission • Bribery provisions • HMRC gift aid provisions • HMRC Vat provisions 	<ul style="list-style-type: none"> • Fines, penalties or censure from licencing or regulators • Employee action for negligence • Loss of licence to undertake activities • Reputational risks 	2 2 2 2	<ul style="list-style-type: none"> • Identify key legal and regulatory requirements • Allocate responsibility for key compliance procedures • Compliance monitoring and reporting • Preparation for compliance visits • Compliance reports from auditors

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OBJECTIVES AND ACTIVITIES

The objects of the charity are to apply the income from the trust fund to such charitable institutions or towards or for the advancement or in furtherance of such charitable purposes in such manner and in such proportions as the trustees may from time to time in their absolute discretion determine.

PUBLIC BENEFIT

The Foundation benefits the public by raising funds, in-kind support and volunteering time from supporters, principle through the hospitality industry, to award to charities and charitable causes working with young people in need so that they can have access to and receive the education, care and support that they need. Our vision is of a world where all children and young people are ABLE to transform their lives for the better. Our mission is to transform the lives of young people. We support young people to be ABLE to Achieve their goals, Beat or ameliorate their health conditions, Live full lives with training and employment and Experience opportunities to enhance and develop their skills and confidence. By providing this intermediary role of fundraiser and cause identifier the Foundation channels funds and charitable goodwill to support programme delivery and to raise the profile and understanding of vulnerable groups. The trustees confirm that they referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting grant making policies.

PRINCIPAL ACTIVITIES

Our vision is a world where all young people reach their full potential so our mission is to transform the lives of vulnerable or disadvantaged young people by improving their education, skills and wellbeing. We support young people to be ABLE to Achieve their goals, Beat or ameliorate their health conditions, Live full lives with training and employment and Experience opportunities to enhance and develop their skills and confidence. We provide young people with the support, tools, training, equipment and opportunities they need to reach their full potential.

The trustees determined that the principal focus should be on young people (up to the age of 25), in the areas of health and education in order to relieve suffering and to equip individuals with the skills, confidence and opportunities to lead a productive life.

Grant giving, either via a central application process in the UK and Republic of Ireland, via hotel nominated grants in Continental Europe, or via sponsored grants (50% of UK and Republic of Ireland hotel fundraising), is primarily awarded to charities and local causes working in the country where the funds were raised in the Foundation's chosen areas of focus.

REVIEW OF ACTIVITIES

Following the amendment to the Foundation's Deed of Trust on 12 December 2014, the Foundation announced its name change on the 5 March 2015. Although providing opportunities for expansion in the future the trustees predicted a decline in fundraising support for 2015 and 2016 whilst the transition occurred and the Foundation established itself under its new name.

In 2015 the Foundation grant giving decreased by 10%, totalling £1,201,735 (2014: £1,346,370) benefiting 63,733 children and young people, and gross income totalling £1,505,168 (2014: £2,184,587), decreased by 31%. The decrease in gross income was predicted due to the transition to the new name and was largely due to a marked decline in activity in Continental Europe, the cancellation of one large event in Holland (estimated income of £200,000) as well as the removal of the Small Change, Big Difference campaign, which had raised £136,853 in 2014. Although grant giving has historically been in line with annual net income the trustees decided to use reserves to maintain grant giving levels to over £1million during the transition year.

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The cost of raising funds increased by 3% to £427,933 (2014: £414,765) – this represents 28% of total income (2014: 18%). Activities included sponsored events, staff socials, fundraising dinners, raffles and payroll giving. The increase in cost was due to a greater proportion of fundraising being from events, which inherently carry higher fundraising costs.

As part of the evolving relationship with Hilton Worldwide, targets were not set for hotels in 2015 however the Foundation monitored how much each centre voluntarily raised. In 2015 £770,198 was raised by 80 hotels in the UK and the Republic of Ireland, a 13% decrease on 2014 funds (2014: £762,873). The hotels undertook numerous imaginative fundraising activities to reach this total.

In 2014 the Foundation continued its fundraising efforts in Continental Europe. Structures for fundraising vary depending on local laws and tax efficiency and so structures include the transfer of funds:

- direct to the Foundation,
- via the hotel to the Foundation, or
- direct to a local charity (referred to as indirect grants).

In 2015 €78,581 was raised by 66 hotels across 25 countries in Continental Europe, a decrease of 85% on 2014 (2014: €560,577 by 71 hotels across 27 countries). Although a decline in support has been experienced in the region, the cancellation of two large events accounted for €300,000 of this decline (they are expected to be reinstated in 2016).

Activities in Scotland for 2015 included the 15 Scottish hotels and offices (2014:15) raising £45,820 (including the Glasgow Ball), which represents 9% of UK & Republic of Ireland Hotel fundraising (2015: £55,733 7% of UK & Republic of Ireland hotel fundraising). Grants to charities located in Scotland, excluding grants to national charities, totalled £120,086 reaching 9,251 young people via 47 grants (from 90 applications) to 42 charities (2014: £76,248 reaching 3,453 young people via 38 grants to 34 charities). This represents 10% of our grants awarded and 10% of our funds awarded (2014: 6% of our grants awarded and 6% of our funds awarded).

In 2015 486 grants totalling £1,201,735 were made to 347 charities, benefiting 63,713 young people (2014: 614 grants to 366 charities, totalling £1,346,370 benefiting 52,807 children and young people), an average of £18.86 per young person (2014: £25.51).

DMTFYP Trading Limited continues to sell merchandise to hotels. DMTFYP Trading Limited is a supplier to participating hotels of novelty ducks who then sell the ducks at no profit to guests at £5, €6 or local currency equivalent. The trading arm receives its payment upfront and generates a profit from each unit of approximately £2 per unit. The net surplus of DMTFYP Trading Limited at the end of the year is donated to the Foundation. Each hotel is recognised for their support by having the equivalent to £1 or €1 per set sold from the general reserves that can be allocated to a nominated local charity of their choice.

The Foundation continued its work with Les Mills UK, administering the Les Mills Fund for Children under the Foundation's umbrella. The fund focuses on improving the education, health and mental wellbeing of young people. Grant awards are under £5,000 (the level of Director Grants) and applicants are selected from applications received for the Foundation's wider central grant process.

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The Foundation also established a new pilot programme, The Right Course, which will provide young offenders with the opportunity to gain experience of working in a restaurant environment whilst in prison so that they have a greater chance of securing work on release, which will hopefully lead to a reduction of reoffending. A pilot pop-up restaurant was established at ISIS Young Offenders unit in London, which gave offenders the chance to work alongside hospitality professionals. Funds raised from the pilot will be used to run more pop-up restaurants and to provide training, mentoring and support so that offenders gain the skills, confidence and opportunities to find employment in the hospitality sector.

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The Foundation endeavours to have an open and clear application process. The following summarises our grant giving for the five years ending 31 December 2015.

Grant Decision Making Process	2015	2015	2014	2014	2013	2013	2012	2012	2011	2011
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Total applications received in year	757		903		1071		808		1232	
Received applications approved by Director (including sponsored grants, campaigns and indirect grants)	442	49%	577	64%	641	60%	477	59%	538	44%
Received applications reviewed by Grants Committee	69	8%	61	7%	74	7%	63	8%	64	5%
Reviewed applications approved by Grants Committee (excluding those referred to trustees)	32	46%	24	39%	16	22%	20	32%	15	23%
Received applications reviewed by trustees	12	1%	13	1%	12	75%	6	1%	20	2%
Reviewed applications approved by trustees	12	100%	13	100%	12	100%	6	100%	18	90%
Approved applications	486	64%	614	68%	669	62%	503	62%	571	46%

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For the following tables 2014 figures are in brackets.

Remit	No of Grant Requests	No. of Grants Awarded	Amount Requested by All Applicants	Amount Awarded	No of Beneficiaries Reached	Thematic Proportion of Grant Requests	Thematic Proportion of Awarded Grants	Proportion of Amount Requested Awarded	Thematic Proportion of Funds Awarded	Thematic Proportion of Beneficiaries Reached
Young People & Education	441 (514)	252 (334)	£3,067,989 (£3,010,492)	£536,912 (£790,047)	32,987 (22,018)	58% 57%	52% 54%	18% 26%	45% 59%	52% 42%
Young People & Health	316 (389)	234 (280)	£1,939,867 (£2,236,877)	£664,823 (£556,323)	30,726 (30,779)	42% 43%	48% 46%	34% 25%	55% 41%	48% 58%
Total	757 (903)	486 (614)	£5,007,856 (£5,247,369)	£1,201,735 (£1,346,370)	63,713 (52,797)	100% (100%)	100% (100%)	24% (26%)	100% (100%)	100% (100%)

Remit	No. of Grants Awarded	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries Reached	Proportion of Request Awarded	Thematic Proportion of Beneficiaries
Young People & Education	252 (334)	£695,490 (£921,723)	£536,912 (£790,047)	32,987 (22,018)	77% (86%)	52% (42%)
Young People & Health	234 (280)	£801,741 (£595,019)	£664,823 (£556,323)	30,726 (30,779)	83% (93%)	48% (58%)
Total	486 (614)	£1,497,231 (£1,516,741)	£1,201,735 (£1,346,370)	63,713 (52,797)	80% (89%)	100% (100%)

An average of £18.86 awarded per beneficiary reached (2014: £25.50).

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Remit	No. of Central Grants Awarded	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries	Proportion of Request Awarded	Thematic Proportion of Central Grants Awarded	Thematic Proportion of Amount Awarded	Thematic Proportion of Beneficiaries
Children in Hospices	35 (39)	£218,667 (£111,805)	£200,498 (£88,235)	8,027 (3,150)	92% (79%)	7% (6%)	17% (7%)	13% (6%)
Disabled Children	147 (165)	£660,964 (£707,071)	£485,822 (£609,988)	14,502 (10,124)	74% (86%)	30% (27%)	40% (45%)	23% (19%)
Children in Hospital	80 (100)	£161,447 (£160,366)	£133,918 (£160,349)	9,572 (4,966)	83% (100%)	16% (16%)	11% (12%)	15% (9%)
Homelessness	26 (29)	£120,391 (£107,215)	£69,187 (£63,446)	907 (1,269)	57% (59%)	5% (5%)	6% (5%)	1% (2%)
Employment and Training	8 (0)	£24,000 (£0)	£7,800 (£0)	376 (0)	33% (0%)	2% (0%)	1% (0%)	1% (0%)
Others	190 (281)	£311,763 (£430,284)	£304,510 (£424,351)	30,329 (33,288)	98% (99%)	39% (46%)	25% (32%)	48% (63%)
Total	486 (614)	£1,497,231 (£1,516,741)	£1,201,735 (£1,346,370)	63,713 (52,797)	80% (89%)	100% (100%)	100% (100%)	100% (100%)

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
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Grant Type	No. of Grants	Amount Requested	Amount Awarded	No. of Beneficiaries	Grant type as Proportion of Grants Awarded	Grant type as Proportion of Funds Awarded	Proportion of Beneficiaries
Central Grants	113 (78)	£843,956 (£643,948)	£556,046 (£482,517)	35,008 (7,389)	23% (13%)	46% (36%)	55% (14%)
Hotel Nominated Fund (sponsored grants)	255 (375)	£434,021 (£700,294)	£427,372 (£691,351)	17,529 (36,701)	52% (61%)	36% (51%)	28% (70%)
LMFC	6 (3)	£3,500 (£11,000)	£3,500 (£11,000)	731 (65)	1% (0%)	0% (1%)	1% (0%)
Restricted (Events and Campaigns)	61 (103)	£160,967 (£100,151)	£160,184 (£100,160)	8,518 (4,032)	13% (17%)	13% (7%)	13% (8%)
£1 on the room	51 (55)	£54,787 (£61,348)	£54,633 (£61,341)	1,927 (4,610)	10% (9%)	5% (5%)	3% (9%)
Total	486 (614)	£1,497,231 (£1,516,741)	£1,201,735 (£1,346,370)	63,713 (52,797)	100% (100%)	100% (100%)	100% (100%)

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
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FOR THE YEAR ENDED 31 DECEMBER 2015**

Regional Spread	No. of Applications	No. of Grants Approved	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries	Proportion of Applicants Receiving a Grant	Regional Proportion of Grants	Proportion of Request Awarded	Regional Proportion of Funds Awarded	Proportion of Beneficiaries	No. of supporting HW Hotels	Award per hotel
UK wide	59 (80)	39 (52)	£131,164 (£127,989)	£95,978 (£121,838)	3,847 (2,713)	66% (65%)	8% (8%)	73% (95%)	8% (9%)	6% (5%)		
London	80 (72)	38 (42)	£219,834 (£157,902)	£144,485 (£135,576)	4,313 (2,288)	48% (58%)	8% (7%)	66% (86%)	12% (10%)	7% (4%)	22 (25)	£6,567 (£5,423)
Midlands	55 (68)	28 (28)	£62,292 (£94,996)	£50,623 (£93,996)	2,301 (2,483)	51% (41%)	6% (5%)	81% (99%)	4% (7%)	4% (5%)	11 (19)	£4,602 (£4,947)
North	106 (112)	65 (43)	£272,601 (£153,606)	£193,662 (£116,109)	12,217 (3,816)	61% (38%)	13% (7%)	71% (76%)	16% (9%)	19% (7%)	7 (18)	£27,666 (£6,451)
Northern Ireland	34 (31)	12 (8)	£133,032 (£19,307)	£124,907 (£15,110)	9,379 (473)	35% (26%)	2% (1%)	94% (78%)	10% (1%)	15% (1%)	2 (2)	£62,453 (£7,555)
Scotland	90 (62)	47 (38)	£155,260 (£91,248)	£120,086 (£76,248)	9,251 (3,453)	52% (61%)	10% (6%)	77% (84%)	10% (6%)	15% (7%)	15 (15)	£8,006 (£5,083)
South East	105 (90)	71 (55)	£211,690 (£216,926)	£181,324 (£190,225)	9,570 (3,202)	68% (61%)	15% (9%)	86% (88%)	15% (14%)	15% (6%)	14 (15)	£12,952 (£12,682)
South West	27 (36)	13 (17)	£63,629 (£63,454)	£52,647 (£41,705)	1,498 (814)	48% (47%)	3% (3%)	83% (66%)	4% (3%)	2% (2%)	5 (8)	£10,529 (£5,213)
Wales	32 (9)	14 (3)	£32,433 (£4,562)	£29,433 (£4,562)	3,064 (35)	44% (33%)	3% (0%)	91% (100%)	2% (0%)	5% (0%)	2 (2)	£14,717 (£2,281)
UK Total	588 (560)	327 (286)	£1,281,934 (£929,990)	£993,144 (£795,370)	55,440 (19,277)	56% (51%)	67% (47%)	77% (86%)	83% (59%)	87% (37%)	78 (104)	£12,733 (£7,648)
Austria	13 (28)	13 (28)	£22,176 (£31,971)	£21,344 (£31,980)	250 (2,005)	100% (100%)	3% (5%)	96% (100%)	2% (2%)	0% (4%)	4 (4)	£5,336 (£7,995)
Belgium	8 (6)	8 (6)	£2,320 (£10,975)	£2,320 (£10,975)	150 (240)	100% (100%)	2% (1%)	100% (100%)	0% (1%)	0% (0%)	2 (2)	£1,160 (£5,488)
Bulgaria	4 (6)	4 (6)	£4,969 (£5,766)	£4,969 (£5,766)	77 (200)	100% (100%)	1% (1%)	100% (100%)	0% (0%)	0% (0%)	1 (1)	£4,969 (£5,766)
Croatia	1 (0)	1 (0)	£4,301 (£0)	£4,301 (£0)	15 (0)	100% (0%)	0% (0%)	100% (0%)	0% (0%)	0% (0%)	1 (2)	£4,301 (£0)

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
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Regional Spread	No. of Applications	No. of Grants Approved	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries	Proportion of Applicants Receiving a Grant	Regional Proportion of Grants	Proportion of Request Awarded	Regional Proportion of Funds Awarded	Proportion of Beneficiaries	No. of supporting HW Hotels	Award per hotel
Cyprus	6 (4)	6 (3)	£11,331 (£9,717)	£11,331 (£9,717)	223 (245)	100% (75%)	1% (0%)	100% (100%)	1% (1%)	0% (0%)	1 (1)	£11,331 (£9,717)
Czech Republic	4 (25)	4 (25)	£2,226 (£23,385)	£2,226 (£23,385)	16 (13,683)	100% (100%)	1% (4%)	100% (100%)	0% (2%)	0% (26%)	2 (2)	£1,113 (£11,692)
Denmark	1 (7)	1 (7)	£1,077 (£131,795)	£1,077 (£131,795)	20 (395)	100% (100%)	0% (1%)	100% (100%)	0% (10%)	0% (1%)	1 (1)	£1,077 (£131,795)
Finland	1 (1)	1 (1)	£1,308 (£1,667)	£1,308 (£1,667)	10 (50)	100% (100%)	0% (0%)	100% (100%)	0% (0%)	0% (0%)	1 (3)	£1,308 (£556)
France	6 (8)	6 (8)	£2,777 (£9,143)	£2,777 (£9,206)	140 (390)	100% (100%)	1% (1%)	100% (101%)	0% (1%)	0% (1%)	4 (7)	£694 (£1,315)
Germany	20 (54)	20 (52)	£13,019 (£76,303)	£12,987 (£76,303)	520 (2,594)	100% (96%)	4% (8%)	100% (100%)	1% (6%)	1% (5%)	10 (16)	£1,299 (£4,769)
Greece	2 (2)	2 (2)	£2,503 (£2,719)	£2,503 (£2,719)	30 (70)	100% (100%)	0% (0%)	100% (100%)	0% (0%)	0% (0%)	1 (1)	£2,503 (£2,719)
Hungary	2 (6)	2 (6)	£1,050 (£7,277)	£1,050 (£7,277)	40 (250)	100% (100%)	0% (1%)	100% (100%)	0% (1%)	0% (0%)	2 (2)	£525 (£3,638)
Iceland	1 (1)	1 (1)	£308 (£583)	£308 (£583)	10 (10)	100% (100%)	0% (0%)	100% (100%)	0% (0%)	0% (0%)	1 (1)	307.69 (£583)
Israel	1 (12)	1 (12)	£449 (£24,045)	£449 (£23,294)	100 (1,340)	100% (100%)	0% (2%)	100% (97%)	0% (2%)	0% (3%)	1 (1)	£449 (£23,294)
Italy	9 (41)	9 (40)	£4,421 (£29,110)	£4,421 (£29,104)	110 (927)	100% (98%)	2% (7%)	100% (100%)	0% (2%)	0% (2%)	4 (8)	£1,105 (£3,638)
Luxembourg	1 (1)	1 (1)	£308 (£167)	£308 (£167)	20 (5)	100% (100%)	0% (0%)	100% (100%)	0% (0%)	0% (0%)	1 (1)	£308 (£167)
Malta	2 (2)	2 (2)	£1,760 (£4,976)	£1,760 (£4,976)	60 (120)	100% (100%)	0% (0%)	100% (100%)	0% (0%)	0% (0%)	1 (1)	£1,760 (£4,976)

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Regional Spread	No. of Applications	No. of Grants Approved	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries	Proportion of Applicants Receiving a Grant	Regional Proportion of Grants	Proportion of Request Awarded	Regional Proportion of Funds Awarded	Proportion of Beneficiaries	No. of supporting HW Hotels	Award per hotel
Poland	6 (15)	6 (15)	£15,796 (£18,672)	£15,796 (£18,672)	1,100 (2,672)	100% (100%)	1% (2%)	100% (100%)	1% (1%)	2% (5%)	2 (2)	£7,898 (£9,336)
Portugal	4 (16)	4 (16)	£1,953 (£29,349)	£1,953 (£29,354)	233 (1,720)	100% (100%)	1% (3%)	100% (100%)	0% (2%)	0% (3%)	3 (3)	£651 (£9,785)
Republic of Ireland	19 (26)	11 (14)	£34,912 (£90,281)	£29,241 (£55,194)	310 (477)	58% (54%)	2% (2%)	84% (61%)	2% (4%)	0% (1%)	4 (4)	£7,310 (£13,799)
Romania	7 (2)	7 (2)	£3,777 (£2,413)	£3,761 (£2,413)	237 (70)	100% (100%)	1% (0%)	100% (100%)	0% (0%)	0% (0%)	4 (2)	£940 (£1,206)
Spain	4 (5)	4 (5)	£1,918 (£2,772)	£1,918 (£2,772)	90 (150)	100% (100%)	1% (1%)	100% (100%)	0% (0%)	0% (0%)	3 (4)	£639 (£693)
Sweden	1 (2)	1 (2)	£50 (£3,167)	£50 (£3,167)	5 (2,400)	100% (100%)	0% (0%)	100% (100%)	0% (0%)	0% (5%)	1 (1)	£50 (£3,167)
Switzerland	1 (9)	1 (9)	£748 (£5,223)	£748 (£5,238)	35 (140)	100% (100%)	0% (1%)	100% (100%)	0% (0%)	0% (0%)	2 (3)	£374 (£1,746)
The Netherlands	9 (27)	9 (27)	£9,706 (£25,913)	£9,666 (£25,913)	1,297 (727)	100% (100%)	2% (4%)	100% (100%)	1% (2%)	2% (1%)	6 (8)	£1,611 (£3,239)
Turkey	9 (10)	9 (10)	£22,417 (£19,024)	£22,417 (£19,024)	130 (1,039)	100% (100%)	2% (2%)	100% (100%)	2% (1%)	0% (2%)	8 (6)	£2,802 (£3,171)
Europe Region	730 (876)	461 (586)	£1,449,513 (£1,496,400)	£1,154,132 (£1,326,030)	60,668 (51,196)	63% (67%)	95% (95%)	80% (89%)	96% (98%)	95% (97%)	149 (191)	£7,746 (£6,943)
International	27 (28)	25 (28)	£47,718 (£20,341)	£47,603 (£20,340)	3,045 (1,601)	93% (100%)	5% (5%)	100% (100%)	4% (2%)	5% (3%)		
Total	757 (904)	486 (614)	£1,497,231 (£1,516,741)	£1,201,735 (£1,346,369)	63,713 (52,797)	64% (68%)	100% (100%)	80% (89%)	100% (100%)	100% (100%)	149 (191)	£7,746 (£6,943)

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Project Type	No. of Applications	No. of Grants	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries	Proportion of Project Type Applicants Receiving a Grant	Project Type Proportion of Awarded Grants	Proportion of Request Awarded to Successful Applicants	Project Type Proportion of Awarded Funds	Proportion of Beneficiaries
Activity Courses	179 (280)	97 (184)	£276,505 (£365,808)	£245,245 (£315,791)	6,215 (10,897)	54% (66%)	20% (30%)	89% (86%)	20% (23%)	10% (21%)
Arts & Culture	43 (50)	12 (24)	£17,048 (£56,042)	£11,532 (£56,042)	5,237 (950)	28% (48%)	2% (4%)	68% (100%)	1% (4%)	8% (2%)
Awareness Education	40 (24)	21 (11)	£31,262 (£10,372)	£27,175 (£10,372)	5,769 (350)	53% (46%)	4% (2%)	87% (100%)	2% (1%)	9% (1%)
Community Projects	30 (50)	20 (35)	£59,091 (£60,166)	£46,638 (£59,425)	1,425 (4,660)	67% (70%)	4% (6%)	79% (99%)	4% (4%)	2% (9%)
Disaster Relief	18 (23)	18 (23)	£43,332 (£141,028)	£43,218 (£141,029)	720 (14,135)	100% (100%)	4% (4%)	100% (100%)	4% (10%)	1% (27%)
Environmental Education	5 (1)	5 (1)	£6,190 (£300)	£5,335 (£300)	2,751 (20)	100% (100%)	1% (0%)	86% (100%)	0% (0%)	4% (0%)
Equipment	146 (161)	115 (110)	£341,554 (£312,962)	£269,572 (£266,150)	16,378 (9,418)	79% (68%)	24% (18%)	79% (85%)	22% (20%)	26% (18%)
Hospice & Palliative Care	22 (28)	17 (26)	£43,412 (£39,923)	£40,985 (£39,856)	375 (2,691)	77% (93%)	3% (4%)	94% (100%)	3% (3%)	1% (5%)
Refurbishments	57 (65)	34 (39)	£231,100 (£167,529)	£188,806 (£129,028)	15,841 (2,916)	60% (60%)	7% (6%)	82% (77%)	16% (10%)	25% (6%)
Respite Holidays	14 (13)	11 (9)	£18,433 (£17,360)	£17,288 (£17,360)	752 (421)	79% (69%)	2% (1%)	94% (100%)	1% (1%)	1% (1%)
Salaries	13 (18)	0 (6)	£0 (£6,546)	£0 (£6,546)	0 (425)	0% (33%)	0% (1%)	#DIV/0! (100%)	0% (0%)	0% (1%)
Shelter	34 (13)	29 (10)	£52,568 (£9,108)	£25,419 (£9,108)	1,317 (610)	85% (77%)	6% (2%)	48% (100%)	2% (1%)	2% (1%)

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Project Type	No. of Applications	No. of Grants	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries	Proportion of Project Type Applicants Receiving a Grant	Project Type Proportion of Awarded Grants	Proportion of Request Awarded to Successful Applicants	Project Type Proportion of Awarded Funds	Proportion of Beneficiaries
Therapy, Counselling or Other Treatment	100 (136)	84 (117)	£197,194 (£208,140)	£192,202 (£197,131)	6,149 (4,332)	0% (0%)	17% (19%)	97% (95%)	16% (15%)	10% (8%)
Training	56 (42)	23 (19)	£179,542 (£121,456)	£88,321 (£98,231)	784 (972)	41% (45%)	5% (3%)	49% (81%)	7% (7%)	1% (2%)
Total	757 (904)	486 (614)	£1,497,231 (£1,516,741)	£1,201,735 (£1,346,370)	63,713 (52,797)	64% (68%)	100% (100%)	80% (89%)	100% (100%)	100% (100%)

ABLE	No. of Applications	No. of Grants	Amount Requested by Approved Grantees	Amount Awarded	No. of Beneficiaries	Proportion of Project Type Applicants receiving a grant	Project Type Proportion of Awarded Grants	Proportion of Request Awarded to Successful Applicants	Project Type Proportion of Awarded Funds	Proportion of Beneficiaries	Young people reached per £ donated
Achieve It	279 (-)	184 (240)	£470,715 (£686,405)	£377,747 (£633,072)	22,986 (32,251)	66% (-)	38% (39%)	80% (92%)	31% (47%)	36% (61%)	0.06 (0.05)
Beat It	226 (-)	188 (234)	£549,473 (£402,650)	£487,776 (£368,080)	25,340 (12,788)	83% (-)	39% (38%)	89% (91%)	41% (27%)	40% (24%)	0.05 (0.03)
Live It	101 (-)	43 (57)	£221,849 (£279,736)	£118,896 (£203,267)	1,328 (2,637)	43% (-)	9% (9%)	54% (73%)	10% (15%)	2% (5%)	0.01 (0.01)
Experience It	151 (-)	71 (83)	£255,193 (£147,951)	£217,316 (£141,951)	14,059 (4,995)	47% (-)	15% (14%)	85% (96%)	18% (11%)	22% (9%)	0.06 (0.04)
Total	757 (904)	486 (614)	£1,497,231 (£1,516,741)	£1,201,735 (£1,346,370)	63,713 (52,671)	64% (68%)	100% (100%)	80% (89%)	100% (100%)	100% (100%)	0.05 (0.04)

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
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Evaluation of 2015 Objectives

Objective	Planned Activities	Result
Grant giving to improve the education and health of young people within our target groups	Improve the education and wellbeing of our focus groups	<ul style="list-style-type: none"> The target was to distribute £1,200,000 in grants to support projects for young people. £1,201,735 was awarded to 347 charities through 486 grants which benefited 63,713 young people. Developed and launched the ABLE categorisation of our grant portfolio to clearly demonstrate the impact of our grants and to present young people in a positive light. The Homeless focus group of our central grant process was adapted to focus on employability of young people who may be homeless, in care or just disadvantaged.
Grant giving to improve the education and health of young people within our target groups	Expand our into-work programme	<ul style="list-style-type: none"> Expansion of the into-work programme did not occur due to capacity to deliver and sustain the programme. The decision was made to expand the London project, increasing the number of young people on the programme and changing to two intakes per year.
Fundraising	Grant fund of £1,000,000 to be raised	<ul style="list-style-type: none"> A grant fund of £778,532 was raised. In this transition year costs increased by 9% and income fell by 31%. This was due to: additional costs associated with setting up new computer systems and printing new materials; increased costs related to events; and the loss of key events in Europe.
Fundraising	Supporter engagement	<ul style="list-style-type: none"> Supporter engagement focused on relaying the Foundation's name change and developing our new brand story. This involved developing new communication materials, new website, video and a monthly e-newsletter. Committees were established to deliver events and involvement of key supporters in our grants committee continued. The Foundation undertook several local Giveaways that involved local selection committees comprising of our supporters. These identified smaller local charities and organisations to receive Foundation grants and provided opportunities to promote the Foundation through local media.
Grant giving to improve the education and health of young people within our target groups	Maintain present level of activity in Scotland	<ul style="list-style-type: none"> Activities in Scotland for 2015 increased. Grants to charities located in Scotland, excluding grants to national charities, totalled £120,086 reaching 9,251 young people via 47 grants (from 90 applications) to 42 charities (2014: £76,248 reaching 3,453 young people via 38 grants to 34 charities). This represents 10% of our grants awarded and 10% of our funds awarded (2014: 6% of our grants awarded and 6% of our funds awarded).

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Objective	Planned Activities	Result
Fundraising	Maintain merchandise sales through DMTFYP Trading Limited	<ul style="list-style-type: none"> • Marketing and promotion of our merchandise programme, Ducks for Change, including redesigning our packaging and the production of new marketing materials and the launch of two Duck games. The numbers of outlets selling ducks increased and new ranges were produced. • The sale of hotel vouchers to charities increased and the funds raised from these sales contributed to covering the running costs of the Foundation. • Events remain the main income source for the Foundation.

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FINANCIAL REVIEW

Income from fundraising activities decreased by 33% to £1,347,330 (2014: £2,004,468), whilst investment income decreased by 29% to £13,475 (2014: £19,029).

Hilton Worldwide provided office space at a peppercorn rent (estimated value of £15,000 pa) and allowed the Foundation access to fundraise within hotels and to their team members.

DMTFYP Trading Limited administration costs were £68,585 (2014: £51,392) and were covered by income from merchandise sales and trading, prior to any donation to the Foundation. The Foundation's administration costs (salaries, office operating costs, communication costs and statutory costs), excluding fundraising and merchandise costs, total £273,676 (2014: £147,644) and are covered by contributions from the Expendable Endowment, which was set up with Hilton Worldwide donations, as well as from contributions from Administration Fund.

The Group's total income for the year was £1,505,168 a decrease of 31% (2014: £2,184,587).

Expenditure on charitable activities was £1,369,232 a decrease of 8% (2014: £1,481,048). At 31 December 2015 the charity's total fund balances were £1,614,987, a decrease of 21% (2014: £2,038,188).

EXPENDABLE ENDOWMENT

An Expendable Endowment fund was established in 2010 from a donation of £457,632 from Hilton Worldwide, and further contributions totalling £69,920 were received in 2011. An annual draw down will be determined by the trustees based on the approved budget and the additional annual funding contributions received from Hilton Worldwide. The balance of the Expendable Endowment at 31 December 2015 was £nil (2014: £100,635).

RESTRICTED FUNDS

Due to fundraising restrictions, the following funds exist (see note 12 of Notes to the Financial Statements for more details):

- European €1 on Room Campaign
- Regional Ball Fund
- National Event Fund
- Sponsored Event Fund
- Galvin's Chance
- Les Mills Fund For Children
- The Right Course

DESIGNATED FUNDS

As part of the reserves policy, the Foundation had the following designated funds (see note 12 of Notes to the Financial Statements for more details):

- UK & Republic of Ireland Hotel Nomination Funds
- European Hotel Nomination Funds
- Capital
- Administration Fund

GENERAL RESERVES

The trustees consider that the average level of unrestricted funds not committed or invested in tangible fixed assets should represent at least 1 year of administration costs. The level of general reserves currently held is above the optimal identified by the trustees due to expected fluctuations in income expected whilst the Foundation establishes itself under its new name. Once stabilised grant awards will increase to bring down the level of reserves held.

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The trustees review the reserves policy annually as part of the consideration of the budgetary parameters for the forthcoming financial year.

FUTURE DEVELOPMENTS

The Foundation continues to have a strong relationship with Hilton Worldwide, its brands and hotels. As one of Hilton Worldwide's regional partners for their corporate responsibility strategy (a three year agreement was signed on 25 February 2015) the Foundation will continue to work with those individuals who wish to support the work of the Foundation.

With the rebrand of the Foundation the trustees anticipate some decline in support from some European hotels. To minimise the impact of this decline the Foundation will focus on supporting activities in the UK; on delivering large fundraising events; as well as on exploring new sources of income, particularly from other corporate partners. The Foundation will also undertake a review of expenditure. Given current relationships, fundraising plans, reserves and support networks there are no concerns about the Foundation's ability to be a going concern for the next five years. Grant funding can also be adjusted to reflect any changes in income.

The rebranded Foundation will continue to implement a communication and fundraising strategy that includes:

1. Developing the emotional link to the re-branded Foundation.
2. Focus on developing and delivering balls and ticketed events as well as merchandise sales.
3. Approaching corporations for support, sponsorship, offering donor advised funds for partners and supporting employee engagement campaigns that benefit our focus groups.
4. Engaging support from local communities via sponsorship events and grant giveaways.
5. Expanding support for our into-work programme, Galvin's Chance, by harnessing support from the hospitality sector.

Our mission is to transform the lives of young people. We support young people to be ABLE to Achieve their goals, Beat or ameliorate their health conditions, Live full lives with training and employment and Experience opportunities to enhance and develop their skills and confidence. The long-term objective of the Foundation is to have a broad network of supporters and events to ensure regular level of income in the region of £2million to enable annual grant awards of over £1.2million to projects that improve the education and wellbeing of disabled, sick and disadvantaged young people.

2016 OBJECTIVES

Charitable Activities	Objective	Target and Activities
Grant giving to improve the education and health of young people within our target groups	Portfolio of grant awards supporting small charities across the UK and Europe. Keep the total grants awarded to a level equal to the net income for the year, with the aim of awarding £1.5 million and improving the education and wellbeing of at least 50,000 young people.	<ul style="list-style-type: none"> • Grant applications assessed, awarded and impact monitored. • Local giveaways held to identify smaller charities. • Introduction of an online application process.
Fundraising	Raise a net income of £1.5 million.	<ul style="list-style-type: none"> • Focus on securing support from existing corporate partners and offering a calendar of events and campaigns to supporters.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

		<ul style="list-style-type: none"> • Deliver two large fundraising events in Europe.
Communications	Further develop the new brand of the Foundation, improving the emotional link of our supporters to the work of the Foundation.	<ul style="list-style-type: none"> • Further develop the understanding of our ABLE grant framework. • Increase the use of emotive stories about the impact of our work. • Increase social media content and expand content on the website, which results in increased readership.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2015**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees' and the financial statements in accordance with 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 Republic of Ireland".

Laws applicable to charities in England and Wales and in Scotland requires the trustees to prepare the Report of the Trustees and the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the 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;
- observe the methods and principles of the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for ensuring that accounting records are kept in respect of the charity which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

Knox Cropper have expressed their willingness to continue in office. A resolution to reappoint them as auditors will be proposed at the trustees' next meeting.

Approved and signed on behalf of the trustees

Dame Maureen Thomas
Deputy Chairman of the trustees

Christopher John Ring
Trustee

15 April 2016

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
DM THOMAS FOUNDATION FOR YOUNG PEOPLE**

We have audited the financial statements of DM Thomas Foundation for Young People for the year ended 31 December 2015 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows 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 Republic of Ireland.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the 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 AUDITORS

As explained more fully in the Statement of Trustees Responsibilities set out in the Report of the Trustees, the trustees' are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under the Charities Act 2011 and Section 44(i)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under these Acts. 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. 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 group's and of the parent charity's affairs as at 31 December 2015, and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Knox Cropper
Chartered Accountants
Statutory Auditor**

**8/9 Well Court
London
EC4M 9DN**

15 April 2016

Knox Cropper is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	Unrestricted Funds £	Restricted Funds £	Expendable Endowment £	Total 2015 £	Total 2014 £
Income from:						
Donations						
Hilton Worldwide funding		244	-	-	244	327
		244	-	-	244	327
Trading Activities						
Fundraising activities	3	1,241,740	105,590	-	1,347,330	2,004,468
Commercial trading	3	144,119	-	-	144,119	160,763
Investments	4	13,475	-	-	13,475	19,029
Total Income		1,399,578	105,590	-	1,505,168	2,184,587
Expenditure on:						
	5					
Raising funds						
Fundraising activities		414,277	13,655	-	427,932	414,765
Commercial trading		131,205	-	-	131,205	119,378
Cost of raising funds		545,482	13,655	-	559,137	534,143
Charitable activities						
Young People & Education		545,175	78,589	-	623,764	863,309
Young People & Health		633,413	112,055	-	745,468	617,739
Cost of grant making		1,178,588	190,644	-	1,369,232	1,481,048
Total Expenditure		1,724,070	204,299	-	1,928,369	2,015,191
Net Income/(expenditure) before transfers		(324,492)	(98,709)	-	(423,201)	169,396
Transfers between funds	12	99,051	1,584	(100,635)	-	-
Net movement in funds		(225,441)	(97,125)	(100,635)	(423,201)	169,396
Reconciliation of funds						
Total funds brought forward		1,788,241	149,312	100,635	2,038,188	1,868,792
Total funds carried forward	12	1,562,800	52,187	-	1,614,987	2,038,188

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

Group Financial Statements

These financial statements consolidate the results of the charity and DMTFYP Trading Limited, a company wholly-owned by the Foundation, on a line by line basis. A separate Statement of Financial Activities is not presented for the charity itself.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2015**

	Notes	Group		Charity	
		2015 £	2014 £	2015 £	2014 £
FIXED ASSETS					
Tangible assets	8	1,845	4,018	1,543	3,315
Investment in subsidiary company	9	-	-	100,000	100,000
		<u>1,845</u>	<u>4,018</u>	<u>101,543</u>	<u>103,315</u>
CURRENT ASSETS					
Stocks		64,739	41,064	-	-
Debtors	10	143,189	337,015	168,912	398,578
Cash at bank and in hand		1,449,281	1,805,254	1,376,476	1,670,766
		<u>1,657,209</u>	<u>2,183,333</u>	<u>1,545,388</u>	<u>2,069,344</u>
CREDITORS:					
Amounts falling due within one year	11	44,067	149,163	31,944	134,471
NET CURRENT ASSETS		<u>1,613,142</u>	<u>2,034,170</u>	<u>1,513,444</u>	<u>1,934,873</u>
CREDITORS: Amounts falling due after more than one year					
	11	-	-	-	-
TOTAL NET ASSETS		<u>1,614,987</u>	<u>2,038,188</u>	<u>1,614,987</u>	<u>2,038,188</u>
FUNDS					
Expendable Endowment		-	100,635	-	100,635
Restricted funds		52,187	149,312	52,187	149,312
Unrestricted funds:					
Designated funds		195,108	352,951	195,108	352,951
General reserves		1,367,692	1,435,290	1,367,692	1,435,290
TOTAL FUNDS	12	<u>1,614,987</u>	<u>2,038,188</u>	<u>1,614,987</u>	<u>2,038,188</u>

The financial statements were approved by the trustees on 15 April 2016 and signed on their behalf by:

Dame Maureen Thomas
Deputy Chairman of the trustees

Christopher John Ring
Trustee

The notes which follow form an integral part of these financial statements.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
Cash flows from operating activities:			
<i>Net cash provided by/(used in) operating activities</i>	15	(369,448)	132,262
Cash flows from investing activities:			
Dividends, interest and rents from investments		13,475	19,029
Purchase of property, plant and equipment		-	(2,702)
<i>Net cash provided by/(used in) investing activities</i>		13,475	16,327
<i>Change in cash and cash equivalents in the reporting period</i>		(355,973)	148,589
Cash and cash equivalents at the beginning of the reporting period		1,805,254	1,656,665
<i>Cash and cash equivalents at the end of the reporting period</i>		1,449,281	1,805,254

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

The principal accounting policies adopted are as follows:

1.1 Basis of accounting

The accounts have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" and the Charities Act 2011.

The Foundation is a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern.

First year adoption of FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) a restatement of comparative items was needed. The transition has had no impact on the group or parent charity's financial position or financial performance at the date of transition (1 January 2014) and in respect of the financial statements for the year ended 31 December 2014. Therefore no reconciliation of reserves or net income/(expenditure) is required. The only adjustment to the comparative figures is the disclosure of Governance costs as a support cost and not as a separate line on the Consolidated Statement of Financial Activities (SOFA). The impact on the SOFA for the year ended 31 December 2014 is detailed below:

	As originally stated	Effect of transition to FRS 102	FRS 102
	£	£	£
Expenditure on:			
Raising funds			
Fundraising activities	401,799	12,966	414,765
Commercial trading	119,378	-	119,378
Cost of raising funds	521,177	12,966	534,143
Charitable activities			
Young People and Education	856,255	7,054	863,309
Young People and Health	611,826	5,913	617,739
	1,468,081	12,967	1,481,048
Governance costs	25,933	(25,933)	-

1.2 Fund accounting

The financial statements of a charity must differentiate between restricted and unrestricted funds.

- *Restricted funds* are amounts which are subject to conditions imposed by the donor or which are collected for a specific purpose other than the general funds of the Foundation.
- *Designated funds* are amounts that have been put aside at the discretion of the trustees out of unrestricted general funds for specific future purposes or projects.
- *Unrestricted general funds* comprise accumulated surpluses and deficits after transfers to designated funds.

The nature and purpose of each fund are set out in Note 12 to the financial statements.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1.3 Income recognition

All incoming resources are included in the period in which they are receivable, which is when the Foundation becomes entitled to the resource.

Fundraising income received from the hotels and support offices is recognised when notified by the hotels and support offices on an accruals basis. Other fundraising income, merchandising income and investment income are recognised on an accruals basis.

1.4 Expenditure recognition

Expenditure is accounted for on an accruals basis. Expenditure is allocated by reference to its functional classification and not by type of expense. The expenditure heads in the statement of financial activities include both direct costs and allocated overheads. Overheads are apportioned on a staff time basis.

Support costs comprise costs for processing grants and applications, including support to actual and potential applicants; costs associated with the management and administration of the Foundation's activities; and governance costs which are incurred in connection with the general running of the Foundation as opposed to the management and administration of its activities. They include costs relating to constitutional and statutory requirements. These costs are allocated to activities on an actual basis where possible, by staff time or based on the number of grants awarded. Staff and office costs are divided into the areas of activity of the Foundation and DMTFYP Trading Limited: fundraising, merchandise sales, charitable expenditure and governance, on the basis of the cost of related staff time. Communication costs are divided equally between fundraising and charitable expenditure. The Foundation's annual leave policy runs on the calendar year and states that no holiday can be rolled over into future years.

Fundraising activities costs are those incurred in organising fundraising events and in seeking voluntary contributions and do not include costs of disseminating information in support of the charity's charitable activities.

1.5 Grants payable

The grants awarded by the trustees represent its charitable expenditure and are recognised in the statement of financial activities in the year that they are made to the extent that a legal or constructive obligation exists.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised at cost and depreciated. Depreciation is provided by the straight-line method, calculated to write off assets over their estimated useful lives at the following rates:

- Computer equipment over three years
- Other office equipment over three years
- Furniture and fittings over four years

1.7 Investments

All funds at the year end were held in short term bank deposit accounts.

1.8 Value added tax

The Foundation is not registered for value added tax (VAT), and therefore input tax is not recoverable. Expenditure incurred by the Foundation is therefore recorded inclusive of VAT. DMTFYP Trading Limited is registered for VAT and both turnover and expenditure are disclosed exclusive of VAT.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at an average monthly rate at the accounting reference date. All differences are charged to the profit and loss account.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestrict ed Funds £	Restrict ed Funds £	Expendabl e Endowme nt £	Total 2014 £
Income from:				
Donations				
Hilton Worldwide funding	327	-	-	327
	327	-	-	327
Trading Activities				
Fundraising activities	1,785,958	218,510	-	2,004,468
Commercial trading	160,763	-	-	160,763
Investments	19,029	-	-	19,029
Total Income	1,966,077	218,510	-	2,184,587
Expenditure on:				
Raising funds				
Fundraising activities	395,667	19,098	-	414,765
Commercial trading	119,378	-	-	119,378
Cost of raising funds	515,045	19,098	-	534,143
Charitable activities				
Young People & Education	747,276	116,033	-	863,309
Young People & Health	561,144	56,595	-	617,739
Cost of grant making	1,308,420	172,628	-	1,481,048
Total Expenditure	1,823,465	191,726	-	2,015,191
Net Income/(expenditure) before transfers	142,612	26,784	-	169,396
Transfers between funds	156,768	-	(156,768)	-
Net Movement in Funds	299,380	26,784	(156,768)	169,396
Reconciliation of Funds				
Total funds brought forward	1,488,861	122,528	257,403	1,868,792
Total funds carried forward	1,788,241	149,312	100,635	2,038,188

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

3. DONATIONS, FUNDRAISING ACTIVITIES AND COMMERCIAL TRADING INCOME

	2015	2014
	£	£
Hotels own fundraising	670,633	1,072,730
Foundation regional balls	28,567	13,270
The London Hilton on Park Lane ball - Restricted	4,705	14,062
- Unrestricted	529,284	532,903
Around the World in a Day International Event	41,038	101,987
General donations & campaigns	72,272	90,689
Small Change Campaign 2014	831	136,853
CSR Consulting	-	42,224
	<hr/>	<hr/>
	1,347,330	2,004,718
Commercial Trading Income - DMTFYP Trading Limited	144,119	160,513
	<hr/>	<hr/>
	<u>1,491,449</u>	<u>2,165,231</u>

DMTFYP Trading Limited (company registered number: 07361008), is wholly-owned by the Foundation and was incorporated in England on 31 August 2010, and pays all of its taxable profits to the Foundation. A summary of the trading results is shown below.

	2015	2014
	£	£
Summary Profit and Loss Account		
Turnover	144,119	160,513
Cost of sales, distribution costs and administrative expenses	(59,519)	(67,986)
Audit and legal fees	(3,036)	(3,485)
Depreciation	(401)	(639)
Salary and administration charge	(68,585)	(51,392)
Tax Charge in respect of 2014	(68)	-
	<hr/>	<hr/>
Net Profit	12,510	37,011
Amount gifted to charity	(12,510)	(37,011)
	<hr/>	<hr/>
Retained in Subsidiary	<u>-</u>	<u>-</u>

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

**3. DONATIONS, FUNDRAISING ACTIVITIES AND COMMERCIAL TRADING INCOME
(continued)**

Summary of assets and liabilities of the subsidiary	2015 £	2014 £
Fixed assets	301	703
Current assets	192,917	200,984
Creditors: amounts falling due within one year		
- due to parent charity	(81,095)	(86,995)
- other creditors	(12,123)	(14,692)
Total net assets	<u>100,000</u>	<u>100,000</u>
Aggregate share capital and reserves	<u>100,000</u>	<u>100,000</u>

4. INVESTMENT INCOME

	2015 £	2014 £
Investment income receivable	11,621	17,155
Bank interest receivable	1,854	1,874
	<u>13,475</u>	<u>19,029</u>

5. EXPENDITURE ON

	Fundraising activities £	Commercial trading £	Governance £	Charitable expenditure £	2015 Total £	2014 Total £
Allocated Staff costs	86,082	60,298	15,408	133,260	295,048	251,715
Allocated Office costs	11,829	8,286	2,117	18,312	40,544	58,394
Allocated Communication costs	1,522	-	-	1,522	3,044	3,948
Direct expenditure	315,465	-	8,544	1,368	325,377	286,778
DMTFYP Trading Limited Cost of Sales	-	59,933	2,688	-	62,621	67,986
Grants	-	-	-	1,201,735	1,201,735	1,346,370
	<u>414,898</u>	<u>128,517</u>	<u>28,757</u>	<u>1,356,197</u>	<u>1,928,369</u>	
Apportioned governance costs	13,034	2,688	(28,757)	13,035	-	
Total 2015	<u>427,932</u>	<u>131,205</u>	<u>-</u>	<u>1,369,232</u>	<u>1,928,369</u>	
Total 2014	<u>414,765</u>	<u>119,378</u>	<u>-</u>	<u>1,481,048</u>		<u>2,015,191</u>

Staff and office costs are divided into the areas of activity of the Foundation: fundraising, charitable expenditure and governance, on the basis of the cost of related staff time. Communication costs are divided equally between fundraising and charitable expenditure. Governance costs are then apportioned equally to fundraising activities and charitable expenditure.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

5. TOTAL RESOURCES EXPENDED (continued)

Charitable Expenditure

	Grants	Direct Costs	Allocated Staff Costs	Allocated Office Costs	Allocated Communication Costs	2015 Total	2014 Total
	£	£	£	£	£	£	£
Young People & Education	536,912	709	69,098	9,495	789	617,003	856,255
Young People & Health	664,823	659	64,162	8,817	733	739,194	611,826
Total 2015	1,201,735	1,368	133,260	18,312	1,522	1,356,197	
Total 2014	1,346,370	930	96,435	22,372	1,974		1,468,081

Governance Costs

	2015	2014
	£	£
Allocated Staff costs	15,408	11,320
Allocated Office costs	1,406	2,149
Annual Report	3,984	4,106
Audit and Accountancy Fees	7,248	7,568
Legal Fees	-	-
Trustee Insurance	711	790
	<u>28,757</u>	<u>25,933</u>

Trustee Meeting costs include expenses of £nil (2014: £nil) reimbursed from the Foundation subsequent to the year end.

Net incoming/(outgoing) resources are stated after charging:

Auditors' remuneration – audit fees	7,248	7,568
Depreciation	2,173	2,177
	<u>2,173</u>	<u>2,177</u>

6. STAFF COSTS

	2015	2014
	£	£
Salary costs	248,804	220,453
Social security costs	25,830	13,849
Pension costs	20,414	17,413
	<u>295,048</u>	<u>251,715</u>

The average number of full time equivalent employees during the year was:

6

6

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. STAFF COSTS (Continued)

Salary Bands (FT equivalent)	2015 No. of employees	2014 No. of employees
70,000 - 80,000	2*	1
60,000 - 69,999	-	1*
50,000 - 59,999	-	-
40,000 - 49,999	1	1
30,000 - 39,999	2*	1*
20,000 - 29,999	2	3
10,000 – 19,999	1	-
Ratio	1:4	1:3

* includes pro-rata roles.

During the year 9 full and part-time members of staff were employed by the Foundation (an average of 7 full and part-time members of staff at any one time) and part of their time was also seconded to work for DMTFYP Trading Limited (2014: 9). Staff costs were paid from the Administration Fund and the Expendable Endowment each of which consists of donations from Hilton Worldwide to cover Foundation core costs as well income generated from Foundation investments. Staff costs for the time apportioned to the trading arm were charged to DMTFYP Trading Limited, totalling £60,298 (2014: £41,715). The Foundation provides a pension scheme for employees and currently all employees are members. There is no financial shortfall or arrears on the pension pot. Pay levels reflect industry averages and all staff pay is reviewed on an annual basis by Trustees. Inflation awards and merit increases are based on recommendations from the Director following performance reviews and approved by the Trustees. Annual leave runs on the calendar year and days not taken cannot be rolled over to the next year.

KEY MANAGEMENT PERSONNEL

Key management personnel consists of the trustees and the Foundation Director. During the year, the trustees received £nil reimbursement of expenses (2014: £nil). No emoluments were paid to trustees in 2015 or 2014. Trustee Indemnity Insurance of £711 was payable in 2015 the cost of which was covered by the Administration Fund.

The total value of the Director's remuneration (including pension and healthcare) was £90,343.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

7. GRANTS PAYABLE

The amount payable in the year comprises:

2015

£

Young People & Education

Grants under and equal to £10,000

244 Grants

406,675

Grants over £10,000

Shine

11,848

City Gateway

12,000

Oasis Children's Venture

12,285

Open Up Music

15,000

James Rennie Parent Teachers & Friends Association

18,435

Variety The Children's Charity

20,000

The Springboard Charity

20,000

Variety The Children's Charity

20,669

536,912

Young People & Health

Grants under £10,000

222 Grants

377,822

Grants over £10,000

Over The Wall

10,330

University College Hospital (UCH) Cancer Fund

11,550

Foundation for Corporate Social Responsibility

13,077

Scotty's Little Soldiers

14,840

Claire House Children's Hospice

15,215

Young Epilepsy

16,446

MediCinema

20,000

South Bucks Hospice

20,375

Radio Clyde Cash for Kids

22,450

Rockinghorse

37,818

Northern Ireland Children's Hospice

44,900

Northern Ireland Children's Hospice

60,000

664,823

Grant Total

1,201,735

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

7. GRANTS PAYABLE (continued)

	2015	2014
	£	£
Reconciliation of Grants Payable		
Commitments at 1 January 2015	22,850	8,498
Commitments made in the year	1,209,385	1,352,170
Grants payable for the year	1,232,235	1,360,668
Grants paid during the year	(1,224,585)	(1,332,018)
Grant refunded during the year	(7,650)	(5,800)
Commitments at 31 December 2015	-	22,850
 Commitments at 31 December 2015 are payable as follows:		
Within one year (note 11)	-	22,850
After one year (note 11)	-	-
	-	22,850

8. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

Group

	Computers & Other Equipment	Furniture & Fittings	Total
	£	£	£
<i>Cost or valuation</i>			
At 1 January 2015	14,945	3,220	18,165
Disposals at cost	(2,955)	-	(2,955)
As at 31 December 2015	11,990	3,220	15,210
 <i>Accumulated depreciation</i>			
At 1 January 2015	10,927	3,220	14,147
Depreciation on disposals	(2,955)	-	(2,955)
Charge for year	2,173	-	2,173
As at 31 December 2015	10,145	3,220	13,365
 <i>Net book value</i>			
At 31 December 2015	1,845	-	1,845
At 31 December 2014	4,018	-	4,018

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8. TANGIBLE FIXED ASSETS – GROUP AND CHARITY (continued)

Parent	Computers & Other Equipment	Furniture & Fittings	Total
	£	£	£
<i>Cost or valuation</i>			
At 1 January 2015	11,602	3,220	14,822
Disposals at cost	(2,955)	-	(2,955)
As at 31 December 2015	<u>8,647</u>	<u>3,220</u>	<u>11,867</u>
<i>Accumulated depreciation</i>			
At 1 January 2015	8,287	3,220	11,507
Depreciation on disposals	(2,955)	-	(2,955)
Charge for year	1,772	-	1,772
As at 31 December 2015	<u>7,104</u>	<u>3,220</u>	<u>10,324</u>
<i>Net book value</i>			
At 31 December 2015	<u>1,543</u>	-	1,543
At 31 December 2014	<u>3,315</u>	-	3,315

The net book value at 31 December 2015 represents the fixed assets used primarily for activities to generate funds and managing and administering the charity.

9. INVESTMENTS – GROUP AND CHARITY

Investment in Subsidiary Company - Charity	2015	2014
	£	£
Investment in DMTFYP Trading Limited at cost (100% of the issued shares)	<u>100,000</u>	<u>100,000</u>

10. DEBTORS

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Amounts due from DMTFYP Trading Limited	-	-	81,095	86,995
Trade debtors	82,269	128,647	26,897	103,215
Accrued income due from Hilton Worldwide	59,186	203,549	59,186	203,549
Accrued investment income	1,292	1,314	1,292	1,314
Income tax recoverable	-	3,505	-	3,505
Staff Loan	442	-	442	-
	<u>143,189</u>	<u>337,015</u>	<u>168,912</u>	<u>398,578</u>

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**11. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Grants payable (note 7)	-	22,850	-	22,850
Trade Creditors	8,668	89,037	8,260	78,601
PAYE and National Insurance	8,052	6,610	8,052	6,610
VAT payable	9,039	1,656	-	-
Other creditors	2,689	2,959	2,689	2,959
Accruals	15,619	26,051	12,943	23,451
	<u>44,067</u>	<u>149,163</u>	<u>31,944</u>	<u>134,471</u>

AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Grants payable (note 7)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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12. FUNDS – GROUP AND CHARITY

	At 1 Jan 2015	Total Income	Total Expenditure	Transfers	At 31 Dec 2015
	£	£	£	£	£
EXPENDABLE ENDOWMENT (1)	100,635	-	-	(100,635)	-
RESTRICTED FUNDS					
Euro on the Room Campaign 2014 (2)	51,493	903	52,396	-	-
Park Lane Ball 2014 (3)	13,885	4,705	18,590	-	-
Glasgow Regional Ball (3)	6,635	28,575	35,210	-	-
National Event Fund (4)	23,149	16,349	31,630	1,584	9,452
International Hotel Sponsored Event Fund 2015 (5)	17,986	1,404	19,390	-	-
Galvin's Chance Fund (6)	36,164	40,178	42,725	-	33,617
The Right Course (7)	-	929	61	-	868
Les Mills Fund for Children (8)	-	12,547	4,297	-	8,250
	<u>149,312</u>	<u>105,590</u>	<u>204,299</u>	<u>1,584</u>	<u>52,187</u>

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12. FUNDS – GROUP AND CHARITY (continued)

DESIGNATED FUNDS – GROUP AND CHARITY

	At 1 Jan 2015	Total Income	Total Expenditure	Transfers	At 31 Dec 2015
	£	£	£	£	£
UK & Republic of Ireland Hotel Nomination Fund (9)	307,219	275,202	365,653	(40,958)	175,810
European Hotel Nomination Fund (10)	41,714	71,510	83,938	(11,833)	17,453
Capital Fund (11)	4,018	-	2,173	-	1,845
Administration Fund (12)	-	20,040	120,675	100,635	-
	352,951	366,752	572,439	47,844	195,108
GENERAL RESERVES (13)	1,435,290	1,032,826	1,151,631	51,207	1,367,692
TOTAL FUND BALANCE	2,038,188	1,505,168	1,928,369	-	1,614,987

- (1) *Expendable Endowment* - An Expendable Endowment was established in 2010 using a donation of £457,632 from Hilton Worldwide. This fund is and has been used to cover the administration costs of the Foundation not covered by the Administration Fund. An annual drawdown will be determined by the trustees based on the approved budget. In the current year £100,635 was drawn down (2014: £156,768).
- (2) *£1/€1 on Room Campaign* – The Foundation’s 2015 “Small Change, Big Difference” campaign was cancelled due to restrictions by Hilton Worldwide. Previously guests were asked to accept an optional £1 or €1 or local currency equivalent on their bill. Funds raised from the 2014 campaign received in 2015 in Continental Europe are restricted for selected charity partners.
- (3) *Regional Ball Fund* - Each year, the Foundation holds regional balls in the London Hilton Park Lane and the Hilton Glasgow. The Glasgow Ball net proceeds was raised for the Foundation and one other charity partner. The net proceeds for the Park Lane Ball was raised for the Foundation and in 2014 included pledges and gift aid thereon which was restricted for one other charity partner.
- (4) *National Event Fund* - The Foundation’s “Around the World in a Day”, national event was held in June 2015. The net funds raised by each hotel were donated to a local charity nominated by the hotel.
- (5) *Sponsored Event Fund* – Places for challenge events organised by external charities or companies, such as the London Marathon, were obtained for Foundation runners from charity partners. These runners, along with runners at other sponsored events, raise funds for the nominated charities who donated the places as well as for the Foundation. Sponsored events where funds are raised just for the Foundation are not included in this restricted fund.
- (6) *Galvin’s Chance Fund* – “Galvin’s Chance” is the Foundation’s into-work programme, leading to an apprenticeship, college programme, or sustainable employment. Initiated by Galvin at Windows, based in the London Hilton on Park Lane, and run in conjunction with the Springboard Charitable Trust, it targets disadvantaged young people aged 18-25 not in education, employment or formal training in London. The main fundraising event was the “Mayfair Power and Tower Race”. Net fundraising, after deducting direct costs, is restricted to fund Galvin’s Chance. Charges equivalent to staff time to run the project are made on this fund and transferred to General Reserves to be used for Foundation charitable activities.
- (7) *The Right Course* – The Right Course is a pilot project to help young offenders into employment by providing experiences of working in pop-up restaurants in young offender units. Funds raised from customers in the restaurant are used to cover the operational cost of the restaurant as well as to provide support, into-work training and facilitate the employment of these young people (e.g. initial travel costs and clothing allowances).

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12. FUNDS – GROUP AND CHARITY (continued)

- (8) *Les Mills Fund for Children* – In 2014 the Foundation signed an agreement with the fitness company Les Mills to establish the Les Mills Fund for Children. This donor advised fund supports projects for young people that improve their education, health and wellbeing. The Foundation administers the fundraising from Les Mills’ employees to support this fund, and then identifies charities that work within the focus area to receive grant support. Les Mills also makes an annual donation from the company to the Foundation, which is allocated to the administration fund to support core costs.
- (9) *UK & Republic of Ireland Hotel Nomination Fund* - The trustees agreed that 50% of the net income raised by individual hotels and support offices can be used for grants to registered charities and good causes, primarily for work undertaken in the UK or Republic of Ireland, nominated by the respective hotel or support office. The grants must still fall within the Foundation’s grant giving policy and they are approved through the Foundation’s normal grant giving procedures (the decision process is delegated to the Director). Unless in process of being awarded, six months after the end of the fundraising target period remaining funds are transferred to the General Fund.
- (10) *European Hotel Nomination Fund* - The trustees designated that 100% of funds raised by hotels in Continental Europe should be awarded in full to charities working within the Foundation’s area of focus, primarily these are charities working in country. At times of natural disaster the hotels can award unrestricted funds to international causes helping relief efforts.
- (11) *Capital Fund* – This designation represents the net book value of tangible fixed assets of the Group and is therefore not available for other purposes.
- (12) *Administration Fund* – This fund contains grants paid to the Foundation by Hilton Worldwide for activities undertaken with hotels, net of event costs, which are used to cover salary, administration or communication costs. Income generated from investments, trading and major donors also contribute to this fund. Any shortfall is covered by an annual drawn down from the Expendable Endowment so that the salary and administration costs of the Foundation are funded.
- (13) *General Reserves* – This represents the unrestricted funds, which the trustees are free to use in accordance with the charitable objects.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Expendable Endowment	Restricted Funds	Designated Funds	General Funds	Total
	£	£	£	£	£
Fund balances at 31 December 2015 are represented by:					
Tangible Fixed Assets	-	-	1,845	-	1,845
Net Current Assets	-	52,187	193,263	1,367,692	1,613,142
TOTAL NET ASSETS	-	52,187	195,108	1,367,692	1,614,987

14. RELATED PARTY TRANSACTIONS

During 2015 two of the Foundation’s trustees, including the Chairman, were employed by Hilton Worldwide. As one of Hilton Worldwide’s nominated charity partners in Europe, the Foundation is allowed access to fundraise within hotels and support offices to guests, suppliers, contacts and employees. The support provided by Hilton Worldwide to the Foundation takes many forms, including the provision of office space as well as hotel and conference facilities for fundraising events without charge, or at discounted rates. No remuneration is paid by the Foundation to Hilton Worldwide or Hilton Worldwide personnel in respect of their voluntary participation in fundraising activities. All decisions concerning the Foundation and its grant giving are taken by the trustees or their appointed committees and are independent from Hilton Worldwide.

**DM THOMAS FOUNDATION FOR YOUNG PEOPLE
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14. RELATED PARTY TRANSACTIONS (continued)

At times Hilton Worldwide makes payments to the Foundation or DMTFYP Trading Limited, based on agreed submissions, in recognition of the support provided to hotels for their community activities which benefit the work of the Foundation and its charity partners. These donations are applied towards covering the Foundation's core administration costs.

Any trustee of the Foundation who is an employee of Hilton Worldwide or any company associated with Hilton Worldwide withdraws from any Foundation meeting at which the fundamental relationship with Hilton Worldwide is discussed or reviewed, unless invited to observe or report. A trustee does not participate in any decision regarding a grant to a charity with which he or she has a connection.

In the normal course of events a number of trustees, as individuals, may participate in some of the Foundation's fundraising events on the same terms as those available to members of the general public.

Income received from Hilton Worldwide during the year is disclosed on the face of the SOFA, whilst amounts due from and to Hilton Worldwide at the year-end are disclosed in notes 10 and 11. Amounts raised through the efforts of Hilton Worldwide hotels and support offices are included in note 3.

During the course of the current year, three sponsored grants totalling £1,700 (*2014: two grants totalling £2,202*), were nominated by Hilton Cobham to go to The Jigsaw Trust, a charity providing education to children on the autistic spectrum. One of the Foundation's trustee's is also a trustee of The Jigsaw Trust and declared his interest. As a sponsored grant nominated by the hotel the responsibility for the award was designated to the Director and did not involve that trustee.

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Net movement in funds for the reporting period	(423,201)	169,396
Depreciation charges	2,173	2,177
Dividends, interest and rents from investments	(13,475)	(19,029)
(Increase)/decrease in stocks	(23,675)	(3,383)
(Increase)/decrease in debtors	193,826	(56,834)
Increase/(decrease) in creditors	(105,096)	39,935
Net cash provided by/(used in) operating activities	(369,448)	132,262