

REGISTERED COMPANY NUMBER: 02984176
REGISTERED CHARITY NUMBER: 1041634

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016
FOR
THE RETA LILA HOWARD FOUNDATION

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA



THE RETA LILA HOWARD FOUNDATION

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016

	Page
Report of the Trustees	1 to 4
Report of the Independent Auditors	5 to 6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 13
Detailed Statement of Financial Activities	14

THE RETA LILA HOWARD FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST MARCH 2016**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's principal objective is to promote charitable purposes within the British Isles and the Republic of Ireland by the provision of financial grants for or towards the general or special purposes of such bodies as shall be exclusively charitable according to English law as the Company shall from time to time determine.

As Reta Lila Howard had a great interest in children, the focus of the Foundation will be to support a few innovative projects to benefit children up to the age of 16 within the British Isles (Great Britain and Ireland). The funds will be directed to selected projects to support the education of young people or to ameliorate their physical and emotional environment. Donations are intended to be given over a finite period, with the aim of a project being able to continue by itself without further funding from The Reta Lila Howard Foundation.

Grants will not be given to support individuals or organisations without charity registration numbers or to support operating expenses, budget deficits, capital projects (sole), annual charitable appeals, general endowment funds, fundraising drives or events, conferences or student aid.

It is the ongoing intention of the Trustees to distribute substantially all of the Foundation's income after meeting administration expenses.

There have been no major changes in these policies in the current period.

At present there is no dependence on volunteers, or other donations in kind.

Public benefit

The trustees have had regard to the Charity Commission guidance on public benefit and paid due regard to it in deciding what activities the charity should undertake.

The trustees are satisfied that the ongoing grants they are making means that the charity is continuing to meet the public benefit requirement.

THE RETA LILA HOWARD FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST MARCH 2016**

FINANCIAL REVIEW

Investment policy and objectives

The Trustees have organised the investment of funds with three investment managers, as detailed on page 3.

Investment income amounting to £91,894 was earned. Gains on investments during the current year amounted to £155,931.

Twenty grants amounting to £489,263 were allocated during the year, in accordance with the above policies and objectives.

At the Board Meetings held in May 2016, a further sixteen grants were approved totalling £520,000. These grants were paid in July 2016.

Investments had a market value of £18,356,075 at the end of the period. Overall the net assets of the Foundation at 31 March 2016 are £18,335,630. The funds are adequate to fulfil the obligations of the Charity.

The trustees seek to maintain the value of the endowment as adjusted for United Kingdom inflation since March 1995. The trustees also seek to maintain adequate available monies to enable to smooth day to day operations of the charity.

The trustees consider the main risk for the charity is fluctuation in investment returns. The risk is managed by agreement with the investment managers of an appropriate investment diversification policy and by monitoring this policy and investment value movements with the investment managers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02984176

Registered Charity number

1041634

Registered office

4 Felstead Gardens
Ferry Street
London
E14 3BS

Trustees

Christian Bauta	
Charles Burnett	
Sarah Eidson	
Claudia Hepburn	- appointed 6/11/2015
Mark Mitchell	
Garfield Mitchell	
Melissa Murdoch	
Alannah Weston	
Geordie Dalglish	- resigned 6/11/2015
Tamara Rebanks	- resigned 6/11/2015

Company Secretary

Jamestown Investments Limited

THE RETA LILA HOWARD FOUNDATION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Senior Statutory Auditor

John Thacker FCA DChA

Auditors

Chariot House Limited

Chartered Accountants

44 Grand Parade

Brighton

East Sussex

BN2 9QA

Bankers

Schroder & Co Ltd

31 Gresham Street

London

EC2V 7QA

Investment managers

Morningstar Associates Europe Limited

1 Olivers Yard

55/71 City Road

London

EC1Y 1HQ

J P Morgan International Bank Limited

125 London Wall

London

EC2Y 5AJ

Schroder Investment Management Limited

31 Gresham Street

London

EC2V 7QA

THE RETA LILA HOWARD FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST MARCH 2016**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Reta Lila Howard Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

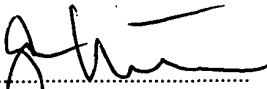
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Chariot House Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 31 October 2016 and signed on its behalf by:


.....
Garfield Mitchell - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE RETA LILA HOWARD FOUNDATION

We have audited the financial statements of The Reta Lila Howard Foundation for the year ended 31st March 2016 on pages seven to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members 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 on page four, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE RETA LILA HOWARD FOUNDATION**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



John Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 31 October 2016

THE RETA LILA HOWARD FOUNDATION**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31ST MARCH 2016

	Notes	Unrestricted fund £	Endowment fund £	2016 Total funds £	2015 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	91,894	-	91,894	81,825
Total		91,894	-	91,894	81,825
EXPENDITURE ON					
Raising funds	3	33,476	-	33,476	39,335
Charitable activities	4				
Charitable expenditure		510,987	-	510,987	438,718
Total		544,463	-	544,463	478,053
NET INCOME/(EXPENDITURE)		(452,569)	-	(452,569)	(396,228)
Transfers between funds	11	452,569	(452,569)	-	-
Other recognised gains/(losses)					
Gains/(losses) on investment assets		-	317,276	317,276	1,637,824
Net movement in funds		-	(135,293)	(135,293)	1,241,596
RECONCILIATION OF FUNDS					
Total funds brought forward		-	18,470,923	18,470,923	17,229,327
TOTAL FUNDS CARRIED FORWARD		-	18,335,630	18,335,630	18,470,923

The notes form part of these financial statements


THE RETA LILA HOWARD FOUNDATION (REGISTERED NUMBER: 02984176)

BALANCE SHEET
AT 31ST MARCH 2016

	Notes	Unrestricted fund £	Endowment fund £	2016 Total funds £	2015 Total funds £
FIXED ASSETS					
Investments	9	-	18,356,075	18,356,075	18,491,385
CREDITORS					
Amounts falling due within one year	10	-	(20,445)	(20,445)	(20,462)
NET CURRENT ASSETS/(LIABILITIES)		-	(20,445)	(20,445)	(20,462)
TOTAL ASSETS LESS CURRENT LIABILITIES		-	18,335,630	18,335,630	18,470,923
NET ASSETS		-	18,335,630	18,335,630	18,470,923
FUNDS	11				
Unrestricted funds				-	-
Endowment funds				18,335,630	18,470,923
TOTAL FUNDS				18,335,630	18,470,923

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 31 Oct 2016 and were signed on its behalf by:


.....
Garfield Mitchell - Trustee

The notes form part of these financial statements

THE RETA LILA HOWARD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST MARCH 2016**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)', the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	2016	2015
	£	£
Dividends and other investment income	90,864	81,150
Deposit account interest	1,030	675
	<u>91,894</u>	<u>81,825</u>

THE RETA LILA HOWARD FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2016****3. RAISING FUNDS****Raising donations and legacies**

	2016	2015
	£	£
Costs of generating funds	33,476	39,335

4. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 5)	Totals
	£	£	£
Charitable expenditure	21,724	489,263	510,987

5. GRANTS PAYABLE

	2016	2015
	£	£
Charitable expenditure	489,263	417,000

The total grants paid to institutions during the year was as follows:

	2016	2015
	£	£
Adam Smith Institute	60,000	60,000
AIB Barnardos	20,000	-
Camden Music Trust	20,000	15,000
Christ Church Cathedral School	10,000	-
Countryside Education Trust	-	30,000
Fields in Trust	45,000	-
Future First	30,000	-
Global Generation	19,263	15,000
Islay and Jura Community Enterprises	5,000	27,000
Kids Company	20,000	20,000
Kids Run Free	55,000	30,000
Kent Refugee Action Network	20,000	-
London Wildlife Trust	20,000	15,000
Manchester International Festival	10,000	-
New Forest Centre	25,000	25,000
Porchlight	10,000	-
Pushkin Trust	-	12,800
Rewrite	-	15,000
Sense about Science	50,000	30,000
Shelter	20,000	32,200
The Bike Project	10,000	10,000
The Tree Council	40,000	30,000
Women Win	-	30,000
Youth Empowerment Services	-	20,000
	489,263	417,000

THE RETA LILA HOWARD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2016

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2016	2015
	£	£
Auditors' Remuneration	3,120	3,083

7. TRUSTEES' REMUNERATION AND BENEFITS

No Trustees, or connected persons, received any remuneration during the year.

Trustees' expenses

Reimbursement of travel and subsistence expenses incurred by 6 Trustees amounted to £7,237 (2015: £8,481 in respect of 6 trustees).

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	81,825	-	81,825
Total	81,825	-	81,825
EXPENDITURE ON			
Raising funds	39,335	-	39,335
Charitable activities			
Charitable expenditure	438,718	-	438,718
Total	478,053	-	478,053
NET INCOME/(EXPENDITURE)	(396,228)	-	(396,228)
Transfers between funds	396,228	(396,228)	-
Other recognised gains/(losses)			
Gains/(losses) on investment assets	-	1,637,824	1,637,824
Net movement in funds	-	1,241,596	1,241,596
RECONCILIATION OF FUNDS			
Total funds brought forward	-	17,229,327	17,229,327
TOTAL FUNDS CARRIED FORWARD	-	18,470,923	18,470,923

THE RETA LILA HOWARD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2016

9. FIXED ASSET INVESTMENTS

	£
Market Value at 1 April 2015	18,491,385
Additions	11,396,139
Disposals	<u>(12,188,715)</u>
	17,698,808
Realised gain/(loss)	(690,728)
Unrealised gain/(loss)	<u>1,063,439</u>
	18,071,520
Increase/(decrease) in cash held by stockbrokers	<u>284,555</u>
Market value at 31 March 2016	<u>18,356,075</u>
110,000 Associated British Foods plc	3,683,900
927,504 Blackrock Corporate Bond Tracker Fund	1,281,810
648,442 Blackrock Mid Cap UK Equity Tracker Fund	1,076,414
938,422 Fidelity Index Europe Ex UK Fund	972,226
9 Parworld Track Emerging Markets	1,039,488
149,931 SSGA Global Aggregate Bond Index Fund	1,077,607
15,013 Vanguard FTSE All Share Index	2,334,615
3,956 Vanguard US Equity Index	1,160,128
	2016
Investment assets in the UK	17,005,558
Investment assets outside the UK	<u>1,350,517</u>
	<u>18,356,075</u>
	2015
	17,427,778
	<u>1,058,125</u>
	<u>18,485,903</u>
Investments are further analysed between:	
Investments listed on recognised stock exchange	17,542,805
Cash	<u>813,270</u>
	<u>18,356,075</u>
	<u>17,962,670</u>
	<u>523,233</u>
	<u>18,485,903</u>

The following investments were subject to restrictions on their realisation:

	Market value at 31 March 2016 £	Further Commitment €
Schroders Private Equity Issue III	135,432	13,971
Schroders Private Equity Issue IV	109,378	14,073

The further committed funds are projected to be paid over the following period:

Schroders Private Equity Issue III

The remaining 5.6% of commitments are deferred until further notice and is unlikely to be called. In addition, the fund has made thirteen distribution payments accounting for a total of 49% of the overall portfolio. Investors are projected to receive the full amount of their original investment around 2016-2017 with upside potential continuing for the remaining life of the investment. The projection continues until 2022.

Schroders Private Equity Issue IV

It has been agreed to waive 20% of shareholders' original commitments. Subsequently, 9.4% of the original commitment remains outstanding, but is unlikely to be called. Eight distribution payments have been made accounting for a total 32% of the overall portfolio. Investors are projected to receive the full amount of their original investment around 2017-2018 with upside potential continuing for the remaining life of the investment. The projection continues until 2024.

THE RETA LILA HOWARD FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2016****10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Other creditors	20,445	20,462

11. MOVEMENT IN FUNDS

	At 1/4/15 £	Net movement in funds £	Transfers between funds £	At 31/3/16 £
Unrestricted funds				
General fund	-	(452,569)	452,569	-
Endowment funds				
Expendable Endowment Fund	18,470,923	317,276	(452,569)	18,335,630
TOTAL FUNDS	<u>18,470,923</u>	<u>(135,293)</u>	<u>-</u>	<u>18,335,630</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	91,894	(544,463)	-	(452,569)
Endowment funds				
Expendable Endowment Fund	-	-	317,276	317,276
TOTAL FUNDS	<u>91,894</u>	<u>(544,463)</u>	<u>317,276</u>	<u>(135,293)</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2016.