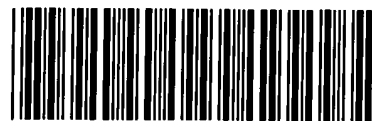


REGISTERED COMPANY NUMBER: 02984176
REGISTERED CHARITY NUMBER: 1041634

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017
FOR
THE RETA LILA HOWARD FOUNDATION

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

THURSDAY



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THE RETA LILA HOWARD FOUNDATION

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

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Detailed Statement of Financial Activities	14

THE RETA LILA HOWARD FOUNDATION

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST MARCH 2017**

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 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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 2017**

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 £94,740 was earned. Gains on investments during the current year amounted to £2,189,082.

Seventeen grants amounting to £540,000 were allocated during the year, in accordance with the above policies and objectives.

At the Board Meetings held in June 2017, a further twenty two grants were approved totalling £700,000. These grants were paid in July 2017.

Investments had a market value of £20,046,465 at the end of the period. Overall the net assets of the Foundation at 31 March 2017 are £20,026,453. 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

c/o Amanda McKenna, Foundation Secretary
The Business Centre
The Green
Horsmonden
TN12 8EH

Trustees

Christian Bauta

Charles Burnett

Sarah Eidson

- resigned 31/10/2016

Claudia Hepburn

Mark Mitchell

Garfield Mitchell

Melissa Murdoch

Alannah Weston

Gregg Weston

- appointed 31/10/2016

Company Secretary

Amanda McKenna

THE RETA LILA HOWARD FOUNDATION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2017

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 2017**

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.

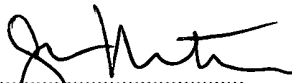
In so far as the trustees are aware:

- 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 30 October 2017 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 2017 on pages seven to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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:

30 October 2017

THE RETA LILA HOWARD FOUNDATION**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Unrestricted fund £	Endowment fund £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	94,740	-	94,740	91,894
Total		94,740	-	94,740	91,894
EXPENDITURE ON					
Raising funds		31,106	-	31,106	33,476
Charitable activities					
Charitable expenditure		561,893	-	561,893	510,987
Total		592,999	-	592,999	544,463
Net gains/(losses) on investments		-	2,189,082	2,189,082	317,276
NET INCOME/(EXPENDITURE)		(498,259)	2,189,082	1,690,823	(135,293)
Transfers between funds	9	498,259	(498,259)	-	-
Net movement in funds		-	1,690,823	1,690,823	(135,293)
RECONCILIATION OF FUNDS					
Total funds brought forward		-	18,335,630	18,335,630	18,470,923
TOTAL FUNDS CARRIED FORWARD		-	20,026,453	20,026,453	18,335,630

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

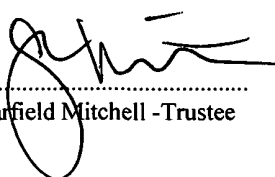
THE RETA LILA HOWARD FOUNDATION (REGISTERED NUMBER: 02984176)

BALANCE SHEET
AT 31ST MARCH 2017

	Notes	Unrestricted fund £	Endowment fund £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Investments	7	-	20,046,465	20,046,465	18,356,075
CREDITORS					
Amounts falling due within one year	8	-	(20,012)	(20,012)	(20,445)
NET CURRENT ASSETS/(LIABILITIES)		-	(20,012)	(20,012)	(20,445)
TOTAL ASSETS LESS CURRENT LIABILITIES		-	20,026,453	20,026,453	18,335,630
NET ASSETS		-	20,026,453	20,026,453	18,335,630
FUNDS	9				
Unrestricted funds				-	-
Endowment funds				20,026,453	18,335,630
TOTAL FUNDS				20,026,453	18,335,630

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.

The financial statements were approved by the Board of Trustees on 30.04.2017 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 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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

	2017	2016
	£	£
Dividends and other investment income	94,075	90,864
Deposit account interest	665	1,030
	<u>94,740</u>	<u>91,894</u>

THE RETA LILA HOWARD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2017

3. GRANTS PAYABLE

	2017	2016
	£	£
Charitable expenditure	<u>540,000</u>	<u>489,263</u>

During the year grants were paid to the following institutions:

	£
Civitas	80,000
St Albans Cathedral	20,000
The Tree Council	40,000
New Forest Centre	29,000
Shelter	19,635
Kids Run Free	60,000
Barnardos	20,152
Urban Hope	30,013
Future First	30,000
Fields In Trust	18,000
The Bike Project	20,000
Pushkin Trust	10,200
Think Forward	30,000
Sense About Science	40,000
Countryside Education Trust	33,000
Adam Smith Institute	<u>60,000</u>
	<u>540,000</u>

4. NET INCOME/(EXPENDITURE)

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

	2017	2016
	£	£
Auditors' Remuneration	<u>3,240</u>	<u>3,120</u>

5. 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 £7,834 (2016: £7,237 in respect of 6 trustees).

THE RETA LILA HOWARD FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2017****6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	91,894	-	91,894
Total	91,894	-	91,894
EXPENDITURE ON			
Raising funds	33,476	-	33,476
Charitable activities			
Charitable expenditure	510,987	-	510,987
Total	544,463	-	544,463
Net gains/(losses) on investments	-	317,276	317,276
NET INCOME/(EXPENDITURE)	(452,569)	317,276	(135,293)
Transfers between funds	452,569	(452,569)	-
Net movement in funds	-	(135,293)	(135,293)
RECONCILIATION OF FUNDS			
Total funds brought forward	-	18,470,923	18,470,923
TOTAL FUNDS CARRIED FORWARD	-	18,335,630	18,335,630

7. FIXED ASSET INVESTMENTS

	£
Market Value at 1 April 2016	18,356,075
Additions	10,969,438
Disposals	(11,693,685)
	17,631,828
Realised gain/(loss)	1,805,543
Unrealised gain/(loss)	383,539
	19,820,910
Increase/(decrease) in cash held by stockbrokers	225,555
Market value at 31 March 2017	20,046,465

Investments comprising more than 5% of the portfolio valuation at 31 March 2017 were:

110,000	Associated British Foods plc	2,866,600
1,125,186	Blackrock Corporate Bond Tracker Fund	1,687,779
535,173	Blackrock Mid Cap UK Equity Tracker Fund	1,030,885
1,336,516	LG UK 100 Index Trust	2,882,864
1,983,318	Royal London Short Term Money Market Fund	1,991,013

THE RETA LILA HOWARD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2017

7. FIXED ASSET INVESTMENTS - continued

4,534	Vanguard FTSE Dev World ex UK Equity Index		1,052,569
3,175	Vanguard US Equity Index		1,259,205
		2017	2016
Investment assets in the UK		19,809,735	17,005,576
Investment assets outside the UK		236,760	1,350,517
		20,046,465	18,356,093
Investments are further analysed between:			
Investments listed on recognised stock exchange		19,007,658	17,542,823
Cash		1,038,807	813,270
		20,046,465	18,356,093

The following investments were subject to restrictions on their realisation:

	Market value at 31 March 2017 £	Further Commitment €
Schroders Private Equity Issue III	114,269	13,971
Schroders Private Equity Issue IV	114,974	14,073

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

Schroders Private Equity Issue III

The Remaining 3.6% of commitments are deferred until further notice and is unlikely to be called. In addition, the fund has made eighteen distribution payments accounting for a total of 60% of the overall portfolio. Investors have received the full amount of their original investment 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 equity commitments. Subsequently, 7.2% of the original commitment remains outstanding, but is unlikely to be called. Twelve distribution payments have been made accounting for a total of 43% of the overall portfolio. Investors are projected to receive the full amount of their original investment around 2017-18 with upside potential continuing for the remaining life of the investment. The projection continues until 2024.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Accruals and deferred income	20,012	20,445

THE RETA LILA HOWARD FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2017****9. MOVEMENT IN FUNDS**

	At 1/4/16 £	Net movement in funds £	Transfers between funds £	At 31/3/17 £
Unrestricted funds				
General fund	-	(498,259)	498,259	-
Endowment funds				
Expendable Endowment Fund	18,335,630	2,189,082	(498,259)	20,026,453
TOTAL FUNDS	<u>18,335,630</u>	<u>1,690,823</u>	<u>-</u>	<u>20,026,453</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	94,740	(592,999)	-	(498,259)
Endowment funds				
Expendable Endowment Fund	-	-	2,189,082	2,189,082
TOTAL FUNDS	<u>94,740</u>	<u>(592,999)</u>	<u>2,189,082</u>	<u>1,690,823</u>

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2017.