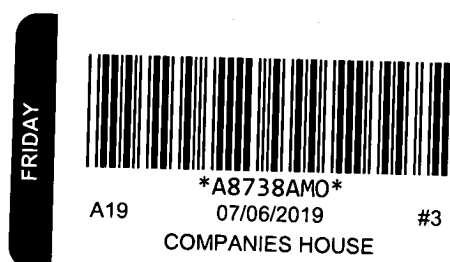




Report of the trustees and annual accounts 2018



Charity registration number 1115729

Company registration number 05593409 (England and Wales)

Halcrow Foundation

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Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

Objectives and activities

We support projects that improve access to education, healthcare and safe water by developing community infrastructure; increase household food, health and income security by supporting livelihood development; and focus on sustainable, transformative change, rather than aid during crisis.

Our vision is a world in which all people have the means by which to enjoy a decent quality of life, free from oppression and poverty – a place where everyone can access safe water, healthcare, education and opportunities to sustain themselves while living a fulfilling life.

We seek to preserve the distinguished legacy of one of the UK's great engineering consultancies by continuing to bring sustainable improvement to the quality of people's lives around the world. Our aim is to mobilise like-minded people and organisations sharing our values and enthusiasm to bring transformative and sustainable improvements to the lives of people in need, working in partnership with other charitable trusts and organisations. Together, we can directly apply our financial resources to practical, grassroots projects that make tangible and lasting improvement to the lives of people suffering acute hardship.

We believe that we should focus our efforts and resources on where we can make a real difference. Our projects work towards providing support that enables and empowers people to transform their lives by removing constraints and opening up opportunities that were previously unreachable. We do this by working in those communities where the Foundation has the support of local organisations that are well placed to understand the needs of the people and deliver appropriate solutions.

The focus of our work is on communities in selected areas of Africa, Asia and the UK where need is most evident and where we can ensure good governance of our projects through our network of project sponsors, supervisors and partners.

We understand the power of partnership and this is key to the way we work. Our impact is greater when we work with like-minded organisations. We look to team up with funding partners, either corporates or other charities and organisations with similar beliefs. We have two types of project funding:

- Halcrow Foundation projects where we engage directly with the help of our project sponsors and supervisors with locally-operating charities to implement projects in line with our current practices; and
- Funding partner projects where we team up with other like-minded organisations and charities to deliver projects that meet our funding criteria.

Project sponsors are those who act as the principal supervisor of an individual project. The project sponsor is someone with a close relationship with the delivery partner and who can ensure the effectiveness of the project design and delivery mechanism to meet beneficiary needs. In some instances, generally where we are working with UK-based charities, we will engage instead project supervisors to provide independent oversight of our projects. Project sponsors and supervisors are trusted people who may work with or for our Funding Partner, or be an independent person well known to the Trustees. They are known for their passionate commitment to help those in need and are respected for their transparency and accountability.

We pursue our objectives by managing investments to optimise returns, efficiently administering the charity, controlling the charity in an effective manner and adhering to good practice in the allocation of grants.

Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

Strategy to achieve objectives

Four strategic goals will determine our work over the coming years and we will judge our success against them:

To improve access to education, healthcare and safe water by developing local community infrastructure

All such projects will be developed based on a local commitment to use and maintain the facilities provided and will be implemented generally through local delivery partners with an understanding of local needs and ambitions.

To increase household well-being and income security by supporting livelihood development

All such projects will create increased resilience and work to enable people to be their own catalysts for change and will be implemented generally through local delivery partners with an understanding of local needs and ambitions.

We are aiming to bring lasting benefits to at least 4,000 people each year through the interventions above.

To develop our organisation as a sustainable and effective funder in our field

We will continue to be well governed and run, developing our organisation for our new aspirations and in the context of having a secure income. We have a professionally managed investment portfolio, maximising the returns on our investments and allowing a core, sustainable income for our work with the potential for growth in real terms. We will continue to develop and refine our policies to guide our operation in a transparent, cost-effective and beneficiary-centred manner. As we move forward, we will look to increase the number of trustees and volunteers helping to lead, manage and deliver our work, reflecting also the need to provide for succession within our organisation.

We will continue to refine and publicise our strategic foci in the UK, Asia and Africa to achieve greater impact in the use of our funds. We will continue to monitor these impacts and will actively follow up and learn lessons from our projects, thus informing our intelligence as a funder and helping us to improve the way we work.

To increase the number of partnerships we have with other trusts, foundations and corporates

We are aiming to broaden and deepen our strategic relationships and partnerships with other trusts, foundations and corporates who share our goals and who will provide suitable match funding. We will look to develop Memoranda of Understanding with potential partners to set out joint aspirations and funding arrangements over a number of years.

Achievements and performance

Grants awarded during 2018 include:

168 Lights for Learning, Zambia: Zambia Schools, £14,837

Children from communities in rural areas of Zambia often have to help their families with farming as well as fetching water, preparing food and looking after siblings. Education gives children an opportunity to escape the cycle of poverty. Solar powered lighting systems mean children can study for longer in safely lit classrooms and teachers have longer to mark, plan, and help pupils with their homework. The project is run by the charity Lights for Learning and involves working with the Council of Churches in Zambia to train unemployed male and female members of the local community to manufacture and fit lighting systems. This method of upskilling people will benefit the wider community by improving job prospects and prosperity. The project will train nine operatives in the manufacture and installation of lights and enable five schools to extend their opening hours to 10pm.

Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

Achievements and performance (continued)*169 Baraka Community Partnerships, Zambia: Learning Hub, £23,386*

Schools in rural Zambia are drastically underfunded and have insufficient infrastructure, facilities and resources. Thanks to the support of the Foundation, the charity Baraka Community Partnerships is building a Learning Centre in the Kapiri-Mposhi district of Central Province, Zambia. The centre will be a community-based learning hub, including a lending library, open to local schools, teachers and students. Various local partners will run core skills workshops to provide teacher and IT training. The project aims to improve overall school performance and increase the number of students completing their studies as well as improving teacher professionalism. The project will provide teaching resources for up to 2,000 pupils and 100 staff and it is expected that up to 1,000 members of the community will benefit from the health education that will be offered.

170 Tiyei Fund, Malawi: Innovative farming, £24,000

Malawi relies heavily on rain-fed agriculture as the main source of food for both humans and livestock. Soil erosion, where the top layer of soil is washed away making it harder to grow crops, is a huge problem. In addition, Malawi's traditional ridge and furrow method of farming is widely regarded as being both labour intensive and environmentally destructive, causing the soil to compact so water cannot penetrate and crops find it hard to take root. The Foundation is funding a project run by a charity called Tiyei, experts in training farmers in the method of deep bed farming, which involves digging deeper into the compacted soil beneath the top layer to improve drainage, as well as other techniques to preserve soil fertility. Tiyei also provides the necessary seeds and tools. Farmers who use this method have doubled their crop yields within the first year with the benefit of soil conservation. Communities are strengthened as a result. The project will transform the farming practice of 168 hectares leading to a 50% increase in agricultural productivity at Manyamula, Mzimba District.

171 British Asian Trust, Pakistan/India: Women's Economic Empowerment Programme, £200,000

The project aims to enable women from disadvantaged urban areas in India and Pakistan to join the formal job market and scale up their enterprises. The Foundation is funding a phase of the charity The British Asian Trust's Women's Economic Empowerment Programme. The programme will be flexible and adaptive to achieve its goals of: enabling women to enter the workspace, competing equally with men, including the provision of strategically targeted training and internships; working with the private sector to create inclusive working environments and recruit, retain and promote more female talent into their workforce; investing in entrepreneurs to ensure that micro and small enterprises can offer safer and more sustainable work for the women and others they employ; and encouraging better collaboration and information sharing across the business community to promote best practice. The Foundation's funding is supporting the design and development of the programme, investing in key project interventions and leveraging wider funding to take the approach to scale. The project will enable women to increase their ability to earn, own and control their own finances and assets with a positive outcome for households. Increased wealth will enable access to education and healthcare. Beneficiary target numbers are to be defined during the programme set-up phase.

172 Prison Phoenix Trust, UK: Yoga for young offenders, £7,100

The UK prison system is under pressure, making it difficult to manage prisoners' well-being. The Prison Phoenix Trust works with all members of the prison community to improve mental and physical health through the practice of yoga and meditation. Yoga can help people release physical and mental tension and become strong, balanced and confident; meditation can bring awareness to the present moment and increases emotional resilience. The Foundation is funding a project run by the Trust which supports young offenders living in prisons and young offender institutions. Funds for the project will go towards supporting offenders in their cells. Every month around 300 prisoners ask the Trust for help to start a regular yoga and

Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

Achievements and performance (continued)

172 Prison Phoenix Trust, UK: Yoga for young offenders, £7,100 (continued)

meditation practice. Each person receives a book matched to their reading ability and a CD which includes a guided yoga session tailored for a small space. Trained letter writers will also offer to carry on writing to the prisoner to encourage and help with their practice. The project will support young people between the ages of 15 and 21 held in 9 secure establishments.

173 Savera association, India: Medical support to orphanage in Delhi, £39,000

The Savera Association medical centre in Delhi provides outpatient medical facilities and treats over 2,500 patients a month, mainly women and children. Dental, gynaecological, ophthalmic and other clinics are available at the centre and care is also available through mobile vans that visit patients in the slums. The project funds the salaries of two doctors for a period of three years as they work at the medical centre alongside trained nurses. The Foundation has supported the Association since 2011. By providing health and education services where they are needed most, the medical centre continues to improve the quality of life for people living in desperately poor conditions in a region where few organisations provide such services in an effective and affordable way. The Savera Clinic serves up to 95,000 people living in 5 slum clusters in Srinivaspuri, south Delhi.

174 Swindon Womens Aid, UK: Training programme for supporting abused women, £5,000

The Recovery Toolkit is an accredited, structured CBT-based recovery programme aimed at improving outcomes for victims of domestic violence and abuse. The programme relies on trained facilitators to support abused women, with one facilitator per 15 victims in one 12-week programme. Each facilitator will perform 3 programmes leading to a minimum of 45 victims per trained volunteer in a year. The project will support the training of 4 volunteers; hence 180 victims will benefit from the Foundation's support.

175 SEED, Sri Lanka: Empowerment campus for special needs children, £10,000

The project aims to assist in the education and development of children with a range of special needs and learning difficulties including autism, Down's syndrome and cerebral palsy as well as children with hearing and speech impairments, and is run by a non-profit making organisation called SEED (Social, Economic & Environmental Developers). The children are taught in class numbers of between 5 to 10 according to ability and their development is managed by teachers trained in special needs education. SEED's inclusive approach includes increasing the awareness of parents and motivating their participation in their child's development. The project targets an economically vulnerable population displaced during the 30-year civil war. The children with suitable abilities graduate to the vocational training group to develop skills in a range of vocational activities including leatherwork and carpentry. The project will support 40 children attending the school for special needs children in Vavuniya, 190 children attending the special education units in 24 mainstream schools in the Vavuniya District and 15 children from SEED's vocational training programme.

Plans for future periods

The generous legacy of the Halcrow Trust will give us financial strength and stability to continue to support projects which bring about transformative and sustainable change to the lives of those who need us most.

We will continue to develop and refine tactical plans for our three target regions. In Africa, our focus will be on continuing our work in Ethiopia and building on our existing projects and connections in Zambia and Malawi. In Asia, we have a MOU with British Asian Trust up until 2022 for Pakistan and India and will be reviewing our other ongoing programmes in India and Sri Lanka. We will conduct a review of our UK portfolio during 2019 with a view to giving greater focus to our work in this country.

Halcrow Foundation**Report of the trustees for the year ended 31st December 2018****Reference and administrative details**

Trustees (directors)	James Billinghamurst (appointed 14th March 2018) David Kerr Anna Mann Madhu Rajesh (resigned 20th April 2018) Malcolm Wallace Andrew Yeoward	
Chair of trustees (directors)	David Kerr	
Finance trustee (director)	James Billinghamurst	
Press officer	Clare Dorey	
Registered office	11 Fielding Road Chiswick London W4 1HP	
Charity registration number	1115729	
Company registration number	05593409	
Website	halcrowfoundation.org	
Bankers	CAF Bank Ltd 25 Kings Avenue West Malling Kent ME19 4JQ	Virgin Money Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Listed investment managers	Rathbone Investment Management Limited Port of Liverpool Building, Pier Head Liverpool L3 1NW	
Independent examiner	Vincent Cowling Woodward Hale 38 Dollar Street Cirencester Gloucestershire GL7 2AN	

Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

Structure, governance and management

The Foundation is a charitable company limited by guarantee incorporated in England and Wales on 14th October 2005 and registered as a charity on 9th August 2006. The charitable company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. These were amended on 24th July 2006 to update the charity's objects to include:

- the relief of poverty of people and communities anywhere in the world who are suffering hardship as a result of drought, earthquake, flood or any other disaster or who by reason of their social and economic conditions are in need of assistance; and
- the relief of sickness, hardship and distress, particularly by the development of education, health and other social services, the improvement of transport infrastructure, water supplies and other communal facilities and the promotion of self-help activities amongst those people or communities.

The charity was originally set up by staff of a British multinational engineering company called Halcrow to directly help people whose lives had been decimated by the Asian tsunami on Boxing Day 2004. Halcrow specialised in the provision of planning, design and management services for infrastructure development worldwide.

We know that engineers witness first-hand some of the challenges facing the poorest communities in different parts of the world. Halcrow believed that an engineering mindset, supported by resources from the engineering community working in partnership with established charities and NGOs, would create a strong position to make a positive difference.

Over the years, with the support of funding streams that came almost entirely from Halcrow employees and the company, the Foundation broadened its remit to help people and communities all around the world that were suffering from poverty and hardship.

Halcrow Holdings Limited (HHL) was acquired by CH2M HILL Europe Limited in 2012 and in 2015 the Foundation became the final beneficiary of the Halcrow Trust, an entity set up in 1990 to operate an employees' share scheme and provide benefits to officers and employees. The Halcrow legacy means that the charity has financial stability for the long term and is able to make a real difference to people suffering hardship and poverty around the world in perpetuity.

The Foundation is also grateful to receive supplementary funding from companies in the engineering and construction sector, from charity partners with like-minded objectives and from individuals.

The Board meets up to six times a year and gives detailed consideration to monitoring the progress of the charity in achieving its performance and quality objectives. This includes reporting on returns from investments in securities and properties, grant strategies, approving grant applications, as well as the identification and management of risk.

Under the articles of association, the minimum number of directors (trustees) shall be two but the maximum number of directors (trustees) shall not exceed nine.

The trustees have a broad mix of skills relating to development projects throughout the world. The skill mix is regularly reviewed and new appointments made where necessary to replace skills lost due to retirement or when additional skills are required. Applicants would be provided with an information pack outlining the

Halcrow Foundation**Report of the trustees for the year ended 31st December 2018**

history of the organisation, its structure, activities and objectives, roles and expectations of trustees plus other supporting information. A new trustee would be provided with information on the activities, financing and management structure of the charity, together with Charity Commission guidance and codes of conduct related to the roles and responsibilities of trustees.

The Foundation has prepared and issued a Governance document, together with a number of policies and operating documents by which to guide its operations. These policies are in various stages of development and not all are yet fully approved. A summary of these is set out below.

HF/1 Governance document

The Governance document is based on the UK Charities Commission document entitled 'Good Governance – A Code for the Voluntary and Community Sector'. This sets out six principles which should be followed by the Trustee board to provide good governance and leadership. These principles are reflected in the various policies development as a consequence of the Foundation's governing principles.

HF/2 Code of Conduct (incorporating Ethical Policy)

The way in which we deliver our objects defines not only who we are, but also what we are, and this means the Foundation must be ethically, environmentally and socially responsible in all we do. The legitimate needs of our beneficiaries are the primary driving force of the charity, subject always to the overriding requirement that we shall always act with integrity and with due regard for the principles of sustainable development. Where a project fulfils the Foundation's criteria but appears contrary to the interests of society or the environment, we shall make the implementers aware of this and, as a condition of funding, require them to alter their plans.

We have a duty to use our funds efficiently and effectively and in pursuit of our stated objectives in an open and accountable way and to use all reasonable means to ensure that implementers do the same. In addition to signing a contract committing them to implement the project as agreed, we expect project implementers to sign and comply with a code of conduct. Any representative who does not comply will not be allowed to continue to act on the behalf of the Foundation and will be asked to resign from their representative role. The Foundation will take such action it considers appropriate in relation to any failure to comply with this code, including reporting the actions of the representative to their employers or the relevant authorities. We will never accept corrupt, unfair or discriminatory practices. Our processes and systems are continuously reviewed to ensure that they represent best practice.

HF/3 Investment Policy (including reserves policy)

The Investment Policy has been produced in accordance with Section 15 of the Trustees Act 2000. It seeks to produce the optimum total return balanced between income and capital growth under a medium risk investment strategy. The investment manager, Messrs Rathbones, has regard for the suitability of investments pertaining to a charitable fund which is regulated by the Charity Commission. Subject to that, the Trustees are willing to consider the widest range of investments as permitted by the Trustee Act 2009. We periodically review performance to ensure the best outcome. Total return on fixed asset investments during the year was -3.4% as market worries about the sustainability of growth impacted on stock values.

HF/4 Financial Management and Disbursement Policy

The Disbursement policy includes the policy on how much to withdraw from overall Foundation funds to make available for causes it supports in the following year. The long-term aim is to maximise the funds available for distribution whilst maintaining the value of the investment funds in real terms. The policy sets out a process for dealing with the possibility of funds reducing in value as well as growing.

Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

HF/5 Risk Management Policy

The Risk Management policy sets out how the Foundation manages the various risks to its operation. These include how the Foundation manages the corporate and operational risks in the areas of health and safety, fraud or other mismanagement of Foundation funds, substandard delivery of projects and corporate brand. These and other risks are managed primarily through the proper governance of the Foundation, as set out in the Governance Document (HF/1), and in the various policies and operational documents which flow from this. A risk register is currently under development which tracks key operational and generic risks.

The major risks to which the charity is exposed have been identified by the trustees and procedures established to mitigate these risks are monitored and reviewed regularly and have been recorded in the risk register. We minimise investment risk by using a fund that invests in a range of shares and other securities including bonds, property and commodities via a collective investment scheme; finance risk by the preparation and monitoring of budgets; strategic risk by the maintenance of good practice in the allocation of grants; and operational risk and regulation compliance risk through the regular review of activities and the use of professional advisers.

HF/6 Management of Causes and projects, (including policy on award of grants)

This policy is currently under development and will set out the whole process of selecting and managing projects. The Foundation only award grants for projects that assists the charity in achieving its aims and objectives. Our grant making policy enables an appropriate, logical and transparent process for the allocation and monitoring of grants. Grants are paid in stages against verified achievement of defined project milestones and the charity reserves the right to terminate a grant in the event that reasonable evidence of achieving the milestones has not been made available or if there are reasonable grounds to doubt the veracity of the evidence presented.

HF/7 Complaints Procedure

The complaints procedure is available to all those connected with the Foundation and sets out the process that is to be followed in the event of a complaint against the Foundation or anyone acting on its behalf. This includes how and when a complaint will be dealt with, issues of confidentiality, and the need for all or some of the trustees to meet and discuss the complaint.

A response will be given to the complainant, either upholding the complaint and explaining further action to be taken, providing a status report or turning down the complaint (with reasons) within seven days of the meeting of the trustees.

HF/8 Partnerships Policy

This policy statement governs the manner in which we shall develop and enter into partnerships. The policy seeks to ensure that the impact that the Halcrow Foundation has in achieving its strategic aims is increased through working constructively with other like-minded organisations who share our values.

The partnerships we enter into have clear strategic objectives that reflect the aims of both partners and are managed in a transparent and effective manner. We recognise that our strategy, whilst bringing geographic and technical focus to our operation, also commits us to working towards defined and sustainably transformative outcomes. Our new funding status allows us to take a longer-term view on funding projects or programmes to ensure that those outcomes are realistically achieved. Following a strategy meeting in March 2018, this document is under further review.

Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

HF/9 GDPR Policy

This policy statement governs the manner in which the Halcrow Foundation complies with the requirements of the General Data Protection Regulations (GDPR) which replaces the Data Protection Act 1998 in May 2018. The policy recognises the need for full transparency of the personal data Halcrow Foundation holds and respect for the privacy of those encountered during the everyday work of the foundation. This document is currently under preparation.

Supporting the Policies are a number of operating documents. These are:

- HF/10 Register of Code of Practice signatories (under preparation)
- HF/11 Vision and Strategy
- HF/12 Business Plan
- HF/13 Standard Form for Grant Applications
- HF/14 Standard Template for Assessment of Grant Applications
- HF/15 Standard Form of Agreement
- HF/16 Register of Conflicts of Interest (under preparation)
- HF/17 Risk Register (to be approved)
- HF/18 Project Supervisor role (to be approved)

Financial review

Incoming resources have increased to £190,434 compared to £168,673 in the prior year because of an increase in dividends and similar distributions. Grants payable have increased to £319,323 from £172,824 in line with our budget. Net expenditure of £143,239 and investment losses of £375,526 have contributed to an overall decrease in funds during the period of £518,765 to £5,249,491.

Public benefit

The trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The public benefit of the charity's activities is the relief of poverty of people and communities anywhere in the world who are suffering hardship and in need of assistance and the relief of sickness, hardship and distress, particularly by the development of education, health and other social services, the improvement of infrastructure and other communal facilities and the promotion of self-help activities amongst those people or communities.

Halcrow Foundation

Report of the trustees for the year ended 31st December 2018

Statement of trustees responsibilities

The trustees (who are also the directors of the Halcrow 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).

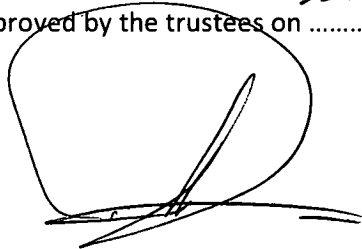
Company law requires the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principals in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

22 May 2019
Approved by the trustees on and signed on their behalf by:



David Kerr
Chair of trustees

Independent examiner's report to the members of the Halcrow Foundation

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2018.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's trustees of the company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Name: Vincent Cowling

Relevant professional qualification or body: ICAEW

Address: Woodward Hale, 38 Dollar Street, Cirencester, Gloucestershire, GL7 2AN

Date: 6th June 2019

Halcrow Foundation

**Statement of financial activities (including income and expenditure account)
for the year ended 31st December 2018**

	Notes	Unrestricted funds 2018 £	Unrestricted funds 2017 £
Income from:			
<i>Donations</i>		2,022	3,149
<i>Investments</i>			
Dividends and similar distributions		187,319	164,578
Interest receivable		1,093	946
Total		190,434	168,673
Expenditure on:			
<i>Charitable activities</i>			
Grants payable	4	319,323	172,824
Support costs	3	14,350	12,065
Total		333,673	184,889
Net expenditure		(143,239)	(16,216)
Other recognised gains:			
(Losses)/gains on revaluation of fixed assets		(375,526)	446,297
Net movement in funds		(518,765)	430,081
<i>Reconciliation of funds:</i>			
Fund balances brought forward		5,768,256	5,338,175
Fund balances carried forward	11	5,249,491	5,768,256

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 16 to 20 form part of these accounts.

Halcrow Foundation

Balance sheet
as at 31st December 2018

	Notes	2018 £	2017 £
Fixed assets:			
Investments	5	5,459,810	5,835,336
<i>Total fixed assets</i>		<u>5,459,810</u>	<u>5,835,336</u>
Current assets:			
Debtors	6	115	76
Cash at bank and in hand		240,774	256,896
<i>Total current assets</i>		<u>240,889</u>	<u>256,972</u>
Liabilities:			
Creditors: amounts falling due within one year	7	(3,480)	(3,802)
<i>Net current assets</i>		<u>237,409</u>	<u>253,170</u>
Provisions for liabilities	8	(447,728)	(320,250)
<i>Net assets</i>		<u><u>5,249,491</u></u>	<u><u>5,768,256</u></u>
The funds of the charity:			
Unrestricted funds	11	<u>5,249,491</u>	<u>5,768,256</u>
<i>Total charity funds</i>		<u><u>5,249,491</u></u>	<u><u>5,768,256</u></u>

The notes on pages 16 to 20 form part of these accounts.

Halcrow Foundation

**Balance sheet - continued
as at 31st December 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2018.

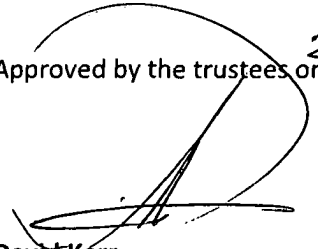
The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees (who are also directors of the company for the purpose of company law) acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

Approved by the trustees on 22 May 2019 and signed on their behalf by:


David Kerr
Chair of trustees

Halcrow Foundation

Statement of cash flows
for the year ended 31st December 2018

	Notes	2018 £	2017 £
<i>Net cash used in operating activities</i>	10	(17,215)	(82,616)
<i>Cash flows from investing activities</i>			
Income from investments		1,093	946
Net cash provided by investing activities		1,093	946
<i>Change in cash and cash equivalents in the year</i>		(16,122)	(81,670)
<i>Cash and cash equivalents brought forward</i>		256,896	338,566
<i>Cash and cash equivalents carried forward</i>		240,774	256,896

**Notes to the financial statements
for the year ended 31st December 2018**

1. Accounting policies

1.1 Basis of financial statements

The financial statements 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 1st January 2015)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities Act 2011 and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

1.2 Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

1.3 Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliability.

1.4 Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliability. Such items are recognised as income on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. Volunteer time is not recognised in accordance with the Charities SORP (FRS 102).

1.5 Interest receivable

Interest on funds held on deposit is recognised when receivable and the amount can be measured reliability by the charity and this is normally upon notification of the interest paid or payable by the bank.

1.6 Going concern

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

1.7 Critical accounting estimates and areas of judgement

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

1.8 Investments

Investments held as fixed assets are revalued at quoted market price at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.

Notes to the financial statements (continued)
for the year ended 31st December 2018

1.9 Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment, it is probable that settlement will be required and the amount of the obligation can be measured reliability. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings based on the proportion of time spent on each of these areas of work.

Grants payable are charged to the statement of financial activities in full when approved by the trustees and communicated to the recipient. Grants awarded but unpaid at the balance sheet date are recognised as grant commitments within provisions for liabilities. Grants cancelled or repaid in the year are credited to the statement of financial activities. Charitable activities includes support costs associated with grants payable.

1.10 Fund accounting

The charity maintains one type of fund being general unrestricted funds that represents income that is expendable at the discretion of the trustees in furtherance of the objects of the charity.

2. Legal status of the charity and liability of members

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to a sum not exceeding £10.

3. Analysis of support costs

	2018	2017
	£	£
<i>Grant support</i>		
Project supervision	186	200
<i>General support</i>		
Website design and maintenance	390	843
Consultancy	7,353	6,019
Miscellaneous	150	13
Bank charges	357	430
<i>Governance</i>		
Travel expenses	2,434	960
Independent examiner's remuneration	960	960
Independent examiner's remuneration for services including accounts preparation	2,520	2,640
	<u>14,350</u>	<u>12,065</u>

Malcrow Foundation

Notes to the financial statements (continued)
for the year ended 31st December 2018

Project name	Sponsor	Aim	Location	Commitment b/f £	Awarded/ (cancelled) In year £	Paid in year £	Commitment c/f £
4. 159 Homa Bay Dairy Goat Farming Project	Oxygen Charity	Alleviation of hunger and malnutrition	Kenya	4,250	(4,250)	-	-
160 Liberation of Manual Scavengers	Karuna Trust	Skill development and support	India	27,211	-	(18,418)	8,793
162 Rise and Shine School Water Bottling Project	Eva Reckitt Trust	Sustainable income	Kenya	5,000	4,250	(9,250)	-
163 Improving Livelihoods	WSUP	Urban water and sanitation	Madagascar	150,000	-	(50,000)	100,000
164 Tulla Nacha Water Supply Project	EDA-Ethiopia	Clean water	Ethiopia	1,965	-	(1,965)	-
165 Deposit guarantee scheme	Streets2Homes	Secure accommodation for the homeless	United Kingdom	4,400	-	(2,600)	1,800
166 Volunteer Support Programme	Groundswell	Support homeless people	United Kingdom	79,824	-	(31,800)	48,024
167 Entoto Water Supply Project	EDA - Ethiopia	Clean water	Ethiopia	47,600	-	-	47,600
168 Solar power lighting for schools in Zambia	Lights for Learning	Lighting systems for five schools	Zambia	-	14,837	(14,095)	742
169 Learning hub to act as a resource centre in Kapiri-Mposhi District	Baraka Community Partnerships	Construction of Learning Centre for teachers and students	Zambia	-	23,386	(22,217)	1,169
170 Promoting sustainable farming in Malawi	Tiyeni Fund	Sustainable farming to combat soil erosion	Malawi	-	24,000	(12,000)	12,000
171 Women's Economic Empowerment Programme	The British Asian Trust	Systemic change for women	Pakistan and India	-	200,000	(15,000)	185,000
172 Yoga and Meditation in Secure Establishments for Young Offenders	Prison Phoenix Trust	Support for young offenders	United Kingdom	-	7,100	(3,500)	3,600
173 Provide two doctors at the Savera Clinic for three years	Savera Association	Medical services for slum dwellers	India	-	39,000	-	39,000
174 Training for facilitators using the Recovery Toolkit Programme	Swindon Women's Aid	Improve outcomes for victims of domestic violence	United Kingdom	-	5,000	(5,000)	-
175 Special needs children on campus and within the Vavuniya District	SEED	Education and development of special needs children	Sri Lanka	-	6,000	(6,000)	-
				320,250	319,323	(191,845)	447,728

**Notes to the financial statements (continued)
for the year ended 31st December 2018**

5. Fixed asset investments

	2018	2017
	£	£
Market value brought forward	5,835,305	5,389,032
Additions at cost less equalisation income	-	(24)
Investment (losses)/gains	(375,526)	446,297
Market value	5,459,779	5,835,305
Cash awaiting reinvestment	31	31
	<u>5,459,810</u>	<u>5,835,336</u>

The listed investment is comprised entirely of shares in the Rathbone Active Income and Growth Fund. The objective of this fund is to achieve a growing level of income and capital growth from an actively managed portfolio that comprises a range of asset classes including shares, bonds, commodities and property. The constituent investments are located both within and outside the UK.

6. Debtors

	2018	2017
	£	£
Prepayments and accrued income	<u>115</u>	<u>76</u>

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals	<u>3,480</u>	<u>3,802</u>

8. Provisions for liabilities

	2018	2017
	£	£
Grant commitments (Note 4)	<u>447,728</u>	<u>320,250</u>

9. Related party transactions

There were no related party transactions during the year (2017: £nil) that required disclosure.

The trustees were not paid and did not receive any other benefits from employment with the charity in the year (2017: £nil). In addition, no trustee received payment for professional or other services supplied to the charity (2017: £nil).

During the year, five trustees were reimbursed for travel expenses. The total amount reimbursed was £2,348.

Halcrow Foundation

Notes to the financial statements (continued) for the year ended 31st December 2018

10. Reconciliation of net movement in funds to net cash provided by operating activities

	2018 £	2017 £
Net expenditure for the year	(143,239)	(16,216)
Deduct interest income shown in investing activities	(1,093)	(946)
(Increase)/decrease in debtors	(39)	31
Decrease in creditors falling due within one year	(322)	(1,598)
Increase/(decrease) in provision for liabilities and charges	127,478	(63,887)
Net cash used in operating activities	(17,215)	(82,616)

11. Movements in funds

	Balance at 1st January 2018 £	Income £	Expended £	Losses £	Balance at 31st December 2018 £
General funds	5,768,256	190,434	(333,673)	(375,526)	5,249,491
Total unrestricted funds	5,768,256	190,434	(333,673)	(375,526)	5,249,491

Unrestricted funds are available to be spent for any of the purposes of the charity.

12. Control

The company is limited by guarantee and therefore there are no individual controlling parties. The company is controlled by the directors and its members.