

Halcrow Foundation **Annual report 2020**



 Halcrow Foundation

 @HalcrowFNDN

 Halcrow Foundation

www.halcrowfoundation.org

CONTENTS

Statement from the chair of trustees.....	3
Our approach – what we do and who we help.....	4
Projects and partnerships.....	7
2020 highlights.....	9
Strategy – review and looking forward.....	14
Our funding.....	16
The board of trustees.....	18
Reference and administrative details.....	19
Statement of trustees' responsibilities.....	20
Independent examiner's report.....	21
Financial report.....	22



The foundation is
a legacy of the kindness
and generosity of
Halcrow employees

WELCOME TO THE HALCROW FOUNDATION

Our vision is a world where all people have the means 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.

In 2020, the coronavirus pandemic caused significant challenges to many of the community projects that we support. However, by working in partnership with other charitable organisations, we've been able to continue providing financial resources to grassroots projects that make a real and lasting improvement to the lives of people suffering acute hardship.

The foundation is a legacy of the kindness and generosity of the employees of Halcrow which, for over 140 years, was one of the world's leading engineering consultancies. Their response to the Asian tsunami on Boxing Day in 2004, and their clear desire to help those in need, was the spark behind the creation of the foundation.

Halcrow's purpose was sustaining and improving the quality of people's lives, and that lives on in the Halcrow Foundation. Since 2005, the foundation has spent nearly £2.5 million on projects in Asia, Africa, and the UK. Since the sale of Halcrow in 2011, the foundation has worked hard to redefine itself and reignite its funding programmes.

This report illustrates some of the great projects that the foundation has supported, how we approach that work and how we are looking to the future. By building more partnerships with like-minded people and organisations that share our values, we hope to bring lasting benefits to at least 4,000 people each year.

We have yet to see the long-term effects of the coronavirus pandemic on our investments and the nature of our projects and partnerships. We anticipate, however, that the foundation will do what we can to support local communities as part of the global recovery from the pandemic.

David Kerr
Chair, Halcrow Foundation

WHAT WE DO

Working in partnership with other charitable organisations, we provide financial resources to grassroots projects that make a tangible and lasting improvement to the lives of people suffering acute hardship.

We focus our funding on projects that:

- Improve access to education, healthcare and safe water by developing local community infrastructure
- Increase household food, health and income security by supporting livelihood development
- Bring sustainable, transformative change to communities (not emergency aid)

Our efforts and resources are focused 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 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.

WHO WE HELP

We work in the UK and selected regions in Africa and Asia, focusing on areas where need is most evident.

The foundation supports projects in regions where we have trusted contacts or delivery partners, or where our funding partners have a presence.

Since the creation of the charity, our work has included a huge range of projects, supporting people around the world. In more recent years, our focus has been increasingly on empowering lives and transforming communities in the three target regions.

ABOUT THE HALCROW FOUNDATION

OUR PURPOSE

Empowering lives, transforming communities

Our purpose is to bring transformative and sustainable improvement to the lives of people in need, nurturing resilient, prosperous communities. We are an agent for change, an enabler for good.

CARE: We care about people in need who are rooted in poverty and lack opportunity to change their lives.

EMPOWERMENT: We work to enable people to help themselves, focusing on grassroots projects.

EQUALITY: We believe in the right of all people to fair and equal treatment. We use transparent processes and only work with partners with similar values.

TRUST: We always deliver on our commitments.

SUSTAINABILITY: We offer more than short-term financial assistance to alleviate poverty, our projects enable beneficiaries to provide for themselves over the longer term.

OUR FORMAL OBJECTS

The foundation is a charitable company limited by guarantee incorporated in England and Wales on 14 October 2005 and registered as a charity on 9 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 24 July 2006 to update the charity's objects to include:

- The relief of poverty 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.

OUR ORIGINS

The Halcrow Foundation, an independent charity, is a legacy of the generosity and kindness of the employees at Halcrow. Their response to the Asian tsunami on Boxing Day 2004 was the spark that led to its creation.

Employees across the company were deeply affected by the devastation and loss of life, and came together to raise funds to help the victims.

Using the company's detailed knowledge of the affected areas, a small team was able to ensure the large sums raised supported communities in Indonesia and Sri Lanka where it was needed most, helping people to rebuild their lives.

The success of these early projects inspired the formal establishment of the Halcrow Foundation in 2005, as an independent charity. At that time it was largely funded by a proportion of Halcrow profits, as well as employee contributions, which meant it was able to go on to support over 150 projects in 27 countries, directly helping around 50,000 people.

Halcrow was sold in 2011. The Halcrow Trust, a major shareholder in the company, was the main beneficiary of the sale. After the majority of proceeds had been distributed to Halcrow employees, the trust asked the Halcrow Foundation to propose how it could use the remainder in a way that reflected Halcrow's stated purpose – sustaining and improving the quality of people's lives.

Rising to that challenge, the foundation made its proposal and secured the funds, giving it the firm financial footing it needed to continue its work long into the future.

And so, 150 years on from the birth of the company whose name it took, the Halcrow Foundation is proudly preserving the legacy of one of the UK's great engineering companies and the spirit of its people.

Halcrow's history

Established in 1868, Halcrow's origins were in civil engineering for port, maritime and railway projects in the north of England, Wales and Scotland. It won its first overseas commission in the 1890s.

In the first half of the 20th century, the business expanded into tunnelling and hydroelectric schemes, such as a 24km-long tunnel through the Ben Nevis massif and air raid shelters beneath London Underground

stations. Later it moved into structural engineering, water management and consulting for infrastructure projects.

At its peak, Halcrow was working in over 70 countries from a network of more than 90 offices, on projects as diverse as the Channel Tunnel rail link, which carries the Eurostar to Paris, Toronto's Pearson Airport and the Chongzun Expressway in China.

- *We have supported multiple projects with Social Economical and Environmental Developer (SEED), helping young people with special needs and learning disabilities in the Vavuniya District, Sri Lanka.*
- *By supporting Environmentalists Development Association-Ethiopia (EDA-E), we are helping to build sustainable and clean water supplies in Entoto and Tullu Nacha villages in Ethiopia.*
- *We funded a Build It International project that meets the sanitation and education needs of almost 500 pupils at Chitukuko Community School near Lusaka, Zambia.*

PROJECTS AND PARTNERSHIPS

The Halcrow Foundation embraces its engineering heritage, applying a disciplined and project-orientated mindset to all its work.

It seeks to build partnerships with like-minded people and organisations that share the same values and enthusiasm for helping others.

Nearly £2.5 million has been spent on sustainable livelihood, education and health projects in the UK, Asia and Africa since 2004. This money has directly benefitted an estimated 169,000 people, and indirectly benefitted 450,000.

Directly funded projects

Some of the projects we fund are implemented by organisations on the ground that we have carefully selected. We apply tight selection criteria to these projects and they require direct governance and supervision by our project sponsors.

The implementers are normally grassroots organisations that are close to the beneficiaries and understand their needs. They often lack resources to access and manage funds, and therefore may charge a modest overhead fee.

These projects provide employment and opportunity for local people. Responsibility for design and delivery sits with the implementing organisation.

Partnerships

We also fund projects in partnership with other like-minded organisations or charities.

We understand the power of partnership, and this is key to the way we work.

The foundation works with organisations that share our values – other charities and organisations with similar beliefs – and with whom we can establish a relationship to deliver projects jointly within our targeted sectors and geographies.

Delivery partners can bring together multiple grant-making bodies as co-funders to maximise the positive impact of projects. As they are well-established professional and charitable bodies, the Halcrow Foundation does not need to exert the same level of governance and due diligence for these organisations as is required for our standalone projects.

Trusted partners

The power of partnership drives everything we do. Here are four of the trusted and inspiring partners we've worked with in 2020.

Baraka Community Partnerships

We've worked with Baraka since 2018, helping to provide quality education to communities in rural Zambia. This includes funding the building of a Learning Centre, which allows children from more than 25 primary schools in the Kapiri-Mposhi District access IT and literacy classes. Following the success of the Learning Centre, we've continued supporting Baraka projects including part-funding a safe house that allows more girls to attend secondary school, and building a playground to promote healthy learning.

Build It International

Our partnership with Build It International is helping build brighter futures in Zambia, where overcrowded schools, lack of teachers and poor sanitation contribute to the high number of children and young people who don't finish their education. Our funding has enabled the building of separate toilet facilities for girls, construction of teachers' houses, and additional hand-washing facilities at a remote community school near Lusaka. We've also supported the charity's Safe Hands Appeal, increasing the capacity of schools to combat the spread of Covid-19.

Groundswell

Based in London, Groundswell is a homeless charity that specialises in peer-led work to find solutions to homelessness. We've been supporting its Peer Progression Programme since 2017, helping staff and volunteers who have experienced homelessness deliver essential health services to people in the UK without a home. As Groundswell grows as an organisation so does demand for this programme, particularly during the coronavirus pandemic. So we've renewed our funding to help Groundswell continue and develop this valuable service.

Swindon Domestic Abuse Support Service

We began supporting Swindon Women's Aid in 2011, with a donation to a Christmas event. Since then, we've funded a volunteer training programme that helps the Wiltshire-based charity, now called Swindon Domestic Abuse Support Service, support female and male victims of domestic abuse. In 2020, lockdowns put extra pressure on many UK households which caused greater demand for its services. So we continued our support by funding a year's salary for a triage worker to manage the charity's 24-hour helpline.

United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals are a call for action by all countries to promote prosperity while protecting the planet. They recognize that ending poverty must go hand-in-hand with strategies that build economic growth and address a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection. More important than ever, the goals provide a critical framework for COVID-19 recovery. Halcrow Foundation is funding projects that align with the following goals:

- | | |
|-------------------------------|------------------------------------|
| 1. No poverty | 6. Clean water and sanitation |
| 3. Good health and well-being | 8. Decent work and economic growth |
| 4. Quality education | 10. Reduced inequalities |
| 5. Gender equality | 15. Life on land |

2020 HIGHLIGHTS

We awarded a total of £287,120 in grants, which included:

Approved projects in 2020:

Action Ethiopia – Women's enterprise making fuel saving stoves, Ethiopia: £16,652
Groundswell – Peer Progression Programme, UK: £74,662
Action Ethiopia – Local health authority capacity strengthening, Ethiopia: £8,260
Eva Reckitt Trust – Equality in tourism, Tanzania: £12,864
Swindon Domestic Abuse Support Service – Triage worker in women's refuge, UK: £27,500
SEED – Special education units, Sri Lanka: £49,000

Ongoing projects in 2020:

Karuna Trust – Women's Livelihood project, India: £64,878 awarded in year
Groundswell – Peer Progression Programme, UK
EDA-Ethiopia – Entoto water supply project, Ethiopia
Baraka Community Partnerships – Learning centre, Zambia: £26,932 awarded in year
Tiyeni Fund – Enhancing resilience to climate change impacts, Malawi
British Asian Trust – Women's Economic Empowerment programme, Pakistan and India
Prison Phoenix Trust – Yoga and meditation for young offenders, UK: £6,372 awarded in year
Savera Association – Savera Medical Centre, India
SEED – Empowerment campus for children with special needs, Sri Lanka
Build It International – Sanitation facilities in Chitukuko Community School, Zambia
Microloan Foundation UK – Economic empowerment project for women, Zambia

These projects represent:

£75,932 on education, including supporting the development of up to 250 children in Sri Lanka who have a range of special needs and learning disabilities.

£42,132 on health and welfare, including funding medical supplies and training for three healthcare centres and 20 healthcare workers in Ethiopia, to help rural communities combat the spread of Covid-19.

£169,056 spent on income security, including helping 100 people in the UK with experience of homelessness achieve an independent future.

INSIDE STORIES

Sustainable farming in Malawi

Innocent, 23, from Chapamba Moyo, Malawi, has increased his crop yield after learning sustainable farming methods from our charity partner Tiyeni. The results were so impressive that his crops were selected for display during a public field day, organised by government agricultural staff.

Tiyeni's sustainable farming method helps farmers like Innocent adapt to climate change by improving drainage, controlling soil erosion and improving soil fertility. While other crops struggle with increasingly unpredictable weather patterns, deep-bed farming crops show resilience and produce a much bigger harvest.

Our project with Tiyeni is transforming productivity for rural smallholder farmers, increasing their crop production by 50% and boosting income by 30%.

Helping combat the spread of Covid-19 in Zambian schools

Grace Zimba is headteacher at Shifwankula primary school near Lusaka in Zambia. She explains how permanent hand-washing stations, funded by Halcrow Foundation, have helped the school combat the spread of Covid-19:

"The total population [of the school] is 3,051 learners. These learners used to make long queues using six taps, and we had challenges in filling and refilling buckets of water. It was very difficult to monitor if pupils washed their hands or not.

"The water point that has been built has helped us very much, because 27 pupils wash hands under the supervision of teachers. The washing points are very effective and efficient. We monitor our learners around compliance of Covid-19 and ensure they wash hands and mask up. The school enrolment is high, but so far so good. No children have tested positive for Covid-19, meaning the system is working."

Supporting victims of domestic abuse

The coronavirus lockdowns have put extra pressure on many households in the UK, causing greater demand for the services provided by Swindon Domestic Abuse Support Service, which supports female and male victims of domestic abuse.

Halcrow Foundation funded a year's salary for a triage worker to answer the charity's helpline. As a first point of contact, the helpline receives around 50 or 60 calls per day, and this number increased by 41 per cent from April 2020, largely because of the first UK lockdown.

The charity explains how triage worker Sophie helped a woman, here named Sarah to protect her identity, escape her violent partner and find a safe place in a refuge:

"Sarah came through to triage after the police were called to a violent incident at her home by a neighbour. Sophie made contact with Sarah straight away and it was clear she needed urgent help to flee her partner. Sophie assessed the high-risk situation and it was agreed that for Sarah's safety, refuge accommodation should be sought outside the county. Sophie phoned around ten charities and finally secured a place 200 miles away. Sarah was able to make her journey to safety within 36 hours of the initial contact."

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COVID-19 UPDATE

How we've worked

While the coronavirus pandemic and subsequent lockdowns have had a significant impact on some of our funded projects, Halcrow Foundation's operations have continued almost as normal. The main difference being our face-to-face trustee meetings were replaced by virtual meetings.

We had been planning a more direct inspection of projects, however, restrictions imposed by the pandemic resulted in all meetings with charity partners taking place virtually. We also temporarily stepped away from our approach of no emergency funding and supported some of our beneficiary communities to implement coronavirus related projects, helping to safeguard existing schemes.

Build It International, Zambia

Halcrow Foundation worked with Build It International to fund the building of a sanitation block and teachers' houses at the remote Chitukuko Community School in Zambia. When the Zambian government imposed lockdown measures in March 2020, the project's building training programmes were put on hold.

Halcrow Foundation agreed that money saved from this could be diverted to Build It International's Safe Hands Appeal instead. The appeal was launched in July 2020 to provide permanent hand-washing facilities to 18 schools near Lusaka, benefitting up to 20,000 children by helping to combat the spread of Covid-19. Halcrow Foundation funded five hand-washing stations which serve a total of 500 school children. This funding also helped train Build It International construction graduates to deliver the project.

Action Ethiopia, Ethiopia

Halcrow Foundation is funding the creation of small fuel-saving stove businesses in rural communities in Metema Woreda, Ethiopia, in partnership with Action Ethiopia and its sister organisation, Sunarma.

The stoves work as an alternative to open fires, creating less smoke, improving air quality and personal safety in the home, as well as reducing forest deprivation and time spent collecting wood for charcoal. The businesses are registered and run by women, and the project aims to improve the livelihoods of 300 women and their families.

In response to the Covid-19 outbreak in Ethiopia, Halcrow Foundation also worked with Sunarma to increase the capacity of local health centres. Our funding has provided medical supplies, personal protective equipment and training to three centres and 20 healthcare workers, benefitting rural communities around Metema Woreda.

How our partners have adapted

The coronavirus pandemic has impacted our projects, causing some to be delayed. However, because they operate at a grassroots community level, our charity partners have been able to adapt and work with delivery partners to ensure outcomes were still met.

Karuna Trust

When India went into lockdown in March 2020, the Karuna Trust and India NGO partner Jan Sahas worked hard to maintain the success of the Women's Livelihood project.

The project helps women born into manual scavenging in Madhya Pradesh, India, retrain in garment and incense making skills. Manual scavenging is usually done by women and involves disposing of human excrement from the toilets in their community. The job brings huge health risks as well as caste-based discrimination to the woman's family.

Before the coronavirus pandemic, the project was transforming the lives of hundreds of women. When India went into lockdown in March 2020, training sessions were postponed and production paused. However, the women were supported by telephone instead and were encouraged to produce face masks for sale in their villages, which helped sustain some of their income.

Groundswell

Groundswell is a UK charity that focuses on homelessness. Halcrow Foundation funds the charity's Peer Progression Programme, which supports staff and volunteers to deliver essential health services to people in the UK without a home.

Before the pandemic, Groundswell's peer team were used to face-to-face support and frequent interaction with colleagues and friends in the charity's open, friendly office. During Covid-19 restrictions, the peer progression team tried to replicate this friendly culture with frequent phone calls to staff and volunteers to check in on their wellbeing, while continuing to offer progression support.

Several peer caseworkers also worked on London's homeless Covid-19 response, including visiting people who had been moved off the streets during lockdown and into hotels.

CURRENT GOALS

1. Develop a varied portfolio of projects with no more than two-thirds of funding each year spent on either local community infrastructure or livelihood development.

Progress report:

- The target of no more than two-thirds livelihood development or community infrastructure was met across the period from 2016 to 2019, due significantly to a £150,000 investment with Water & Sanitation for the Urban Poor for a project in Madagascar.
- A good balance of projects between Africa and Asia has been achieved; but we are keen to increase our proportion of funding in the UK.

2. Spend the income earned from our investments on projects that meet our criteria, in line with our disbursement policy.

Progress report:

- Limits on annual funding commitments ensure the foundation does not erode the long-term value of its investment funds.
- The annual financial commitment limit for 2020 was £265,000
- The average annual commitment since 2016 is £250,000
- The value of assets remains comfortably above the minimum target value.

3. Partnerships – secure at least one more funding partnership.

Progress report:

- The foundation has identified that its partnerships are in both funding and delivery and sit alongside project-focused activities. Partnerships enable the foundation to be proactive in how we help the beneficiaries of those partnerships.
- The successful funding relationship with ERSF (Erach and Roshan Sadri Foundation), leveraging over £150,000, is coming to an end as its funds are being run down. The foundation is now working on establishing new funding partnerships.
- The foundation has one delivery partnership in place, with The British Asian Trust. It's work with Karuna can be seen in a similar light. We are also talking to Microloan Foundation, Swindon Domestic Abuse Support Service, Build It International, Baraka and Groundswell about creating delivery partnerships.

4. Create a structured succession plan and recruit at least one more trustee to the board, to bring greater diversity with complementary knowledge and skills.

Progress report:

- The trustees are considering the best process for formal succession planning, balancing engagement with the foundation's community, funding strategy and how to strengthen the organisation.
- The foundation has started a process of re-engaging with former Halcrow employees and others, as a potential community of supporters, with some positive feedback to date. Future trustees do not have to be former Halcrow employees, it is more important that they have the required skills, experience and commitment.

Looking forward

- The operational plan states our aim is to benefit 4,000 people per year. The trustees are working on putting systems in place to measure and record overall benefits from the foundation's work.
- The trustees will be reviewing the foundation's strategy, to prioritise funding and meet competing demands.
- The foundation will review the balance within the overall portfolio of projects between those inside and outside the UK, to make best use of its finite resources and annual commitment ceiling. Affecting this is a higher cost per beneficiary for UK projects.
- In the UK, we are conducting a review of our UK portfolio with a view to giving greater focus to our work in this country.
- 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 memorandum of understanding with the British Asian Trust up to 2022 for Pakistan and India. We are also reviewing projects in Sri Lanka and India.

FUNDING PROJECTS THAT CHANGE LIVES

New grants awarded
during the year

£287,120

Money towards existing projects

£112,213

Money going towards
projects awarded
during 2020

£88,430

Financial review for 2020

Incoming resources in 2020 were £166,655 compared to £209,603 in 2019. The reduction of £42,948 is mainly due to reduced dividend income caused by the impact of the coronavirus pandemic on global stock markets.

New grants of £287,120 were awarded during 2020. Grant payments of £200,643 were made during the year, of which £112,213 related to existing projects.

The net expenditure of £142,856 less investment gains of £116,335 has contributed to a small reduction in funds of £26,521 to £5,860,622.

Education projects **£75,932**
supporting **500+ people**

Food and income security improvements **£169,056**
for **1,500+ people**

Health and welfare programmes **£42,132**
for **7,000+ people**

<p>£287,120 value of new projects</p>	<p>9,000+ number of direct beneficiaries</p>	<p>8 number of new projects</p>
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THE BOARD OF TRUSTEES

Contact us:

Email the Halcrow
Foundation representative
using this format:

Email: firstname.surname@halcrowfoundation.org

Our team

Our board of trustees is made up of former Halcrow employees, with a broad mix of skills relating to development projects throughout the world. Most have been involved with the foundation from the very start in early 2005.

The board meets six to eight 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.

We have reviewed hundreds of grant applications and carefully select projects that fulfil our objectives and are both measurable and sustainable.

We are privileged to be able to volunteer our time and skills to ensure the work of the Halcrow Foundation continues.

David Kerr, Chair and Trustee

James Billinghamurst, Trustee

Anna Mann, Trustee

Malcolm Wallace, Trustee

Andrew Yeoward, Trustee

GOVERNANCE

The board of trustees has put in place a range of policies and operational documents, alongside its overall plan, to ensure that its governance is robust. Through these and its annual financial reporting, the foundation maintains a high level of diligence and transparency.

Reference and administrative details

Trustees (directors)

James Billinghamurst
David Kerr
Anna Mann
Malcolm Wallace
Andrew Yeoward

Chair of trustees

David Kerr

Finance director

James Billinghamurst

Communications

Lucy Mason

Registered office

11 Fielding Road
Chiswick
London
W4 1HP

Charity registration number

1115729

Company registration number

05593409

Public benefit

The charity trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their powers and duties.

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

Woodward Hale
38 Dollar Street
Cirencester
Gloucestershire
GL7 2AN

Website

halcrowfoundation.org

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 annual report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

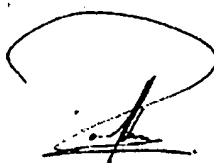
Company law requires the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources. This includes the income and expenditure of the charitable 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 principles in the Charities SORP (Statement of Recommended Practice)
- 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.

Approved by the trustees on 7 September 2021 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 2020.

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: 7 September 2021

HALCROW FOUNDATION

FINANCIAL REPORT

Statement of financial activities (including income and expenditure account)
for the year ended 31 December 2020

		Unrestricted funds 2020		Unrestricted funds 2019	
	Notes	£	£	£	£
Income from:					
Donations			1,066		2,095
Investments					
Dividends and similar distributions		165,086		206,406	
Interest receivable		503	165,589	1,102	207,508
Total			<u>166,655</u>		<u>209,603</u>
Expenditure on:					
Raising funds					
Investment management costs	3		11,405		
Charitable activities					
Grants awarded	5	287,120		131,158	
Grants cancelled	5	(55)		(48,000)	
Support costs	4	11,041	298,106	15,240	98,398
Total			<u>309,511</u>		<u>98,398</u>
Net income/(expenditure) before gains on investments			(142,856)		111,205
Net gains on investments			<u>116,335</u>		<u>526,447</u>
Net movement in funds			<u>(26,521)</u>		<u>637,652</u>
Reconciliation of funds:					
Fund balances brought forward			5,887,143		5,249,491
Fund balances carried forward	11		<u><u>5,860,622</u></u>		<u><u>5,887,143</u></u>

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

Balance sheet as at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets:			
Investments	6	6,103,244	5,986,257
<i>Total fixed assets</i>		<u>6,103,244</u>	<u>5,986,257</u>
Current assets:			
Debtors	7	124	67
Cash at bank and in hand		131,822	185,787
<i>Total current assets</i>		<u>131,946</u>	<u>185,854</u>
Liabilities:			
Creditors: amounts falling due within one year	8	(6,778)	(3,600)
<i>Net current assets</i>		<u>125,168</u>	<u>182,254</u>
Provisions for liabilities	9	(367,790)	(281,368)
<i>Net assets</i>		<u><u>5,860,622</u></u>	<u><u>5,887,143</u></u>
The funds of the charity:			
Unrestricted funds	11	<u>5,860,622</u>	<u>5,887,143</u>
<i>Total charity funds</i>		<u><u>5,860,622</u></u>	<u><u>5,887,143</u></u>

HALCROW FOUNDATION

FINANCIAL REPORT

Balance sheet continued as at 31 December 2020

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2020 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 7 September 2021 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'David Kerr', with a large, sweeping loop at the top and a horizontal line at the bottom.

David Kerr
Chair of trustees

Notes to the financial statements for the year ended 31 December 2020

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 2019)", 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 reliably.

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 reliably. 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 reliably 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 and forward planning for future grant commitments during a period of economic uncertainty.

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.

HALCROW FOUNDATION

FINANCIAL REPORT

Notes to the financial statements (continued) for the year ended 31 December 2020

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 reliably. 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. Investment management costs

Rathbone Investment Management Limited have changed the way they charge their fees although the total fee remains the same as the previous year. From the start of the current year they levied an annual charge of 0.2% after value added tax based on the value of the portfolio and this fee is represented by investment management costs of £11,405 on the face of the Statement of Financial Activities. Rathbones also levy an annual management charge of 0.3% (0.5% in the previous year) as a deduction from within the fund. Income from dividends and similar distributions were shown net of investment management fees in previous years.

4. Analysis of support costs

	2020	2019
	£	£
<i>Grant support</i>		
Project supervision	-	2,224
<i>General support</i>		
Website design and maintenance	1,472	752
Consultancy	5,145	5,961
Insurance	331	-
Miscellaneous	217	379
Bank charges	352	393
<i>Governance</i>		
Travel and other expenses	224	1,365
Miscellaneous	-	369
Independent examiner's remuneration	1,080	1,020
Independent examiner's remuneration for services including accounts preparation	2,220	2,777
	<u>11,041</u>	<u>15,240</u>

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HALCROW FOUNDATION

FINANCIAL REPORT

Notes to the financial statements (continued) for the year ended 31 December 2020

5. Grants

Project name	Sponsor	Aim	Location
160 Women's Livelihood project in Madhya Pradesh	Karuna Trust	Skill development and support	India
163 Improving livelihoods in targeted low-income communities	WSUP	Urban water and sanitation	Madagascar
166 Progression Programme: Building Livelihoods	Groundswell	Support homeless people	United Kingdom
167 Entoto Water Supply Project	EDA - Ethiopia	Clean water	Ethiopia
169 The Baraka Learning Centre, Kapi-ri-Mposhi District	Baraka Community Partnerships	Construction of Learning Centre for teachers and students	Zambia
170 Enhancing resilience to climate change impacts	Tiyeni Fund	Sustainable farming to combat soil erosion	Malawi
171 Women's Economic Empowerment Programme	The British Asian Trust	Systemic change for women	Pakistan and India
172 Yoga and meditation in secure establishments for young offenders	Prison Phoenix Trust	Support for young offenders	United Kingdom
173 Savera Medical Centre	Savera Association	Medical services for slum dwellers	India
175 SEED Empowerment Campus for Children with Special Needs	SEED	Education and development of special needs children	Sri Lanka
177 Chitukuko Community School	Build It International	Female latrines and other infrastructure for a school	Zambia
178 Economic empowerment programme for women	MicroLoan Foundation UK	Business training and low risk loans for marginalised women	Zambia
179 Fuel saving stoves women's enterprise	Action Ethiopia	Creation of sustainable enterprises for women	Ethiopia
180 Progression Programme	Groundswell	Support homeless people	United Kingdom
181 Local health authority capacity strengthening	Action Ethiopia	To mitigate the impact of COVID-19	Ethiopia
182 Equality in tourism	Eva Reckitt Trust Fund	Sustainable tourism and livelihoods	Tanzania
183 Triage worker in women's refuge	Swindon Women's Aid	Support victims of domestic abuse	United Kingdom
184 Sri Lanka special education units	SEED	Establish framework and facilities for special needs children	Sri Lanka

	Commitment b/f	Awarded in year	Cancelled in year	Paid in year	Commitment c/f
	£	£	£	£	
	8,793	64,878	-	(26,311)	47,360
	2,000	-	0	-	2,000
	16,224	-	-	(16,224)	-
	2,600	-	-	-	2,600
	888	26,932	-	(19,913)	7,907
	4,000	-	-	(4,000)	-
	155,000	-	-	(10,000)	145,000
	-	6,372	-	(3,186)	3,186
	26,000	-	-	(6,500)	19,500
	1,000	-	-	(1,000)	-
	24,863	-	-	(24,863)	-
	40,000	-	(55)	(39,945)	-
	-	16,652	-	(10,000)	6,652
	-	74,662	-	(8,602)	66,060
	-	8,260	-	(7,860)	400
	-	12,864	-	(9,864)	3,000
	-	27,500	-	(12,375)	15,125
	-	49,000	-	-	49,000
	281,368	287,120	(55)	(200,643)	367,790

HALCROW FOUNDATION

FINANCIAL REPORT

Notes to the financial statements (continued) for the year ended 31 December 2020

6. Fixed asset investments

	2020	2019
	£	£
Market value brought forward	5,986,226	5,459,779
Disposals	(2,967)	-
Unrealised gains	116,684	526,447
Market value	6,099,943	5,986,226
Cash	3,301	31
	<u>6,103,244</u>	<u>5,986,257</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.

7. Debtors

	2020	2019
	£	£
Prepayments and accrued income	<u>124</u>	<u>67</u>

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	420	-
Accruals	6,358	3,600
	<u>6,778</u>	<u>3,600</u>

9. Provisions for liabilities

	2020	2019
	£	£
Grant commitments (Note 5)	<u>367,790</u>	<u>281,368</u>

10. Related party transactions

There were no related party transactions during the year that required disclosure.

The trustees were not paid and did not receive any other benefits from employment with the charity in the year. In addition, no trustee received payment for professional or other services supplied to the charity. During the year, 3 trustees were reimbursed for travel expenses. The total amount reimbursed was £224.

Notes to the financial statements (continued) for the year ended 31 December 2020

11. Movements in funds

	Balance at 1st January 2020 £	Income £	Expended £	Gains £	Balance at 31st December 2020 £
General funds	5,887,143	166,655	(309,511)	116,335	5,860,622
Total unrestricted funds	5,887,143	166,655	(309,511)	116,335	5,860,622

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.



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