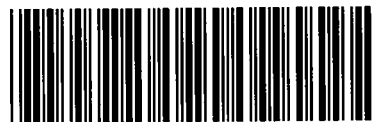


**The Clare Foundation Limited**  
**A Company Limited by Guarantee**  
Financial Statements  
For the year ended 31 December 2017

Charity Number 1131949

Company Number 06995233

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The Clare Foundation Limited  
A Company Limited by Guarantee  
Financial statements for the year ended 31 December 2017

## Legal and administrative information

**Registered Office:**

Sunley House (4th Floor)  
Oxford Road  
Aylesbury  
Buckinghamshire  
HP19 8EZ

Charity registration number – 1131949

Company registration number – 06995233

**Trustees:**

Michael Elliott (Joint Chair)  
David John Jeans (Joint Chair)  
Rebecca Chandler-Wilde  
Michael Clare  
Amanda Foister  
The Right Honourable David Lidington  
Stephen Powell  
Amilha Young

The Trustees have the powers and obligations of Directors as set out in the Companies Act 2006.

**Chief Executive Officer**

Martin Gallagher

**Auditor:**

Saffery Champness LLP  
Chartered Accountants  
St John's Court  
Easton Street  
High Wycombe  
Buckinghamshire  
HP11 1JX

**Bankers:**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

## Contents

Trustees' Annual Report	1 – 7
Report of the Independent Auditor	8 – 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Principal Accounting Policies	15 – 18
Notes to the Financial Statements	19 – 28

The Clare Foundation Limited  
 A Company Limited by Guarantee  
 Financial statements for the year ended 31 December 2017

## Trustees' Annual Report

The Trustees present their report and the audited accounts for the year ended 31 December 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (FRS 102) (SORP (FRS 102)) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the Charity, which incorporates the report of the directors for the purposes of company law.

### Structure, Governance and Management

The Clare Foundation is a charitable Company Limited by Guarantee set up on 19 August 2009. It is governed by its Memorandum and Articles of Association. The Clare Foundation was granted charitable status on 1 October 2009 by the Charity Commission. At inception, there were three Trustees registered. Over the past four years, other Trustees have been appointed to monitor, evaluate and strengthen the Board and to bring specialist experience and expertise of the sector. There were eight Trustees serving as at 31 December 2017.

The Trustees, who are the Directors of the company, and, who have served during the period, are listed below:

Michael Elliott  
 David John Jeans  
 Rebecca Chandler-Wilde  
 Michael Clare  
 Amanda Foister  
 The Right Honourable David Lidington  
 Stephen Powell  
 Amilha Young

The Board comprises a mix of skills, age and experience to further the charitable purpose of the Charity. The Trustees recognise the importance that each Trustee shall be well prepared and trained to discharge their duties effectively. The Charity has produced a Trustees' Induction Pack, which is issued to all Trustees on appointment. The pack was produced in consultation with the Foundation for Social Improvement and incorporates "best practice" as defined by the Charity Commission and the Charities SORP. The Trustees have varying levels of previous experience of fulfilling the role of Trustee.

### Appointment of Trustees

The Charity may by ordinary resolution appoint a person who is willing to act to be a Trustee and determine the rotation in which any additional Trustees are to retire. In selecting new Trustees the Board review the mix of skills, age and experience and appoint accordingly.

### Retirement of Trustees

At each annual general meeting one-third of the Trustees must retire from office.

### Organisational Structure

The board of Trustees normally meet on a quarterly basis and have appointed a finance sub-committee who are responsible for developing the strategic direction and monitoring the operational and financial performance of the Charity. The finance sub-committee reports to the board on a quarterly basis. The

The Clare Foundation Limited  
 A Company Limited by Guarantee  
 Financial statements for the year ended 31 December 2017

## Trustees' Annual Report

Chief Executive Officer is responsible for the day to day operation of the Charity under the delegated authority of the finance sub-committee. The Chief Executive Officer's salary is set by the Trustee Board upon the recommendation of finance sub-committee and it is benchmarked against similar positions.

The charity also has a one trading subsidiary, TCF Trading Limited, the results of which are considered to be immaterial to the charity and on such basis have not been consolidated into these financial statements. Any profits made by TCF Trading Limited in the year are gifted to the charity, for the year end 31 December 2017 a gift aid payment was made to the charity of £11,323 (2016: £10,525). More information can be read in note 12 to the financial statements.

### Statement of Trustees' responsibilities

The Trustees (who are also directors of The Clare Foundation Limited for the purposes of the Companies Act 2006) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, 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 Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102);
- 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; and
- 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 are sufficient to show and explain the Charity's transactions and 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditor is unaware; and
- Each Trustee has taken all steps that he/she ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Clare Foundation Limited  
A Company Limited by Guarantee  
Financial statements for the year ended 31 December 2017

## Trustees' Annual Report

### Objectives and Activities

The Charity's purpose is to advance the efficiency and effectiveness of UK registered charities and not for profit organisations, allowing them to increase their social impact in the community. This purpose is fulfilled by the provision of financial assistance, support and advice or other means as the Trustees shall from time to time determine. Developments continue to be focused on the Buckinghamshire, Oxfordshire and Berkshire (Chilterns and Thames Valley) areas.

The Trustees believe that benefit has been gained from the creation of an office environment where diverse charities and not for profit organisations have enjoyed affordable rentals, shared services and participated in a collaborative third sector community. This environment was created at the Clare Charity Centre at Saunderton. Provision of affordable meeting and conference facilities, access to business skills and mentors, providing networking opportunities and training programmes have also been provided by the Charity.

Following phase one of a strategic review undertaken in this accounting period the Trustees now agree a change of direction for the organisation is required. Changing patterns and trends in third sector tenancies is driving a requirement to move operations to a more virtual/digital structure to better utilise the charity's capital assets and broaden the reach of its charitable purpose. Phase two of the strategic review is completing in the next accounting period when substantial realisation of capital assets will permit a review of both investment policy and financial objectives for the next 5 years. The Trustees envisage a broader policy remit coupled with a greater reach geographically for our charitable purpose which will be made possible by new technologies and operating practices.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

### Achievements and Performance

The Trustees believe that a well-run organisation should set, monitor and report on Key Performance Indicators. The KPI's have been developed and approved by the Board; are used to monitor performance; and are reviewed at quarterly Board meetings.

The KPI's and the Charity's performance and achievements against them have been to:

1. Ensure the Clare Charity Centre provides an affordable office environment to charities and not for profit organisations and maintains a sustainable level of occupancy. Occupancy at the yearend was 85% (2016: 93%)
2. Provide affordable meeting and conference facilities to charities and not for profit organisations. Utilisation reduced from 41% to 36%

The Clare Foundation Limited  
 A Company Limited by Guarantee  
 Financial statements for the year ended 31 December 2017

## Trustees' Annual Report

### 3. Develop Charity Services activities:

- Introduce 'Pro-Bono' Seminars and Training ("Low Cost") for local charities and community organisations.
- Develop and deliver bespoke services for charities in greater need of specific expertise; 11 charities have received direct, sustained and supportive contact.
- Maintain a programme of knowledge sharing events for Charity professionals and Trustees.
- Raise the profile of the Charity, nationally and locally, by establishing relationships with multiple charitable and not-for-profit organisations.
- Encourage closer co-operation and working between other charities, social enterprises and not for profit organisations.

### 4. Develop the Charity Incubator Programme (formerly Fiscal Sponsorship):

Supporting and mentoring 3 charity initiatives:

- EduHaitian: supporting the education of children in Haiti affected by the 2010 earthquake.
- Attacked Not Defeated (AND): providing support and education to abused women in Uganda.
- OK Our Kids: providing educational material and advice to primary school children in the UK to help ensure their health & safety in the community.

### 5. Ensure the Charities investments have performed in line with the objectives set out in the investment policy.

### Plans for Future Periods

The Trustees' are currently embarked in a Strategic Review with Aleron Partners Ltd to determine future direction of the Charity following realisation of the major asset of the Charity and it is expected that they report to the Trustee board within the current financial period.

The Trustees' broad objectives going forward are:

#### 1. Over the next three years:

- To develop and deploy a portfolio of services that provide direct and indirect support to charities that enable them to become more efficient and effective.
- To increase the level of co-operation and working together between The Clare Foundation and other charities and not for profit organisations.

#### 2. Over the next 5-10 years:

To develop the Charity Services activities by:

The Clare Foundation Limited  
 A Company Limited by Guarantee  
 Financial statements for the year ended 31 December 2017

## Trustees' Annual Report

- Developing sustainable relationships with key stakeholders and partners across the sector to develop new areas of voluntary support work and research.
- Developing advice and guidance capabilities through pro-bono work by volunteers and businesses.
- Increasing business and civil society collaboration and engagement.
- Developing specialist activities and bespoke support for charities in need of help.
- Maintaining the support and guidance of the Charity Incubator Programme to allow new charitable initiatives to operate under the Foundation's governance and charitable registration with support and advice for their development.

### Financial Review

In the financial year ending 31 December 2017, the Charity continued to develop the Clare Charity Centre with sustained occupation and growth of both conference and meeting activities.

Details of income and expenditure are available in the Statement of Financial Activities on page 12 and the notes following.

Management of the Charity's investment portfolio is delegated to M&G Investments. As at 31 December 2017, the investment portfolio was valued at £659k (2016: £588k). The investments include net unrealised gains of approximately £71k.

There are no material uncertainties about the Charity's ability to continue as a going concern.

### Post Balance Sheet Event Note

The Charity sold its major asset, the Clare Charity Centre, to Maplefox Ltd, a division of the MCR Property Group, on the 15 May 2018 for redevelopment. The building was sold for £6m on a going concern basis. This transaction has reduced Fixed Assets by £3.1m, increased Current Assets by £5.8m, and Reserves are estimated to increase by £2.7m to £6.5m.

Following the sale of the building the Charity is undergoing a strategic review to redefine the structure and direction of the organisation.

### Reserves Policy

As a result of the sale of the building the Trustees note that there has been a considerable reduction in the ongoing operating costs are reviewing the level of Unrestricted Reserves in the light of the outcome of the strategic review due to be completed in the current financial year.

The free Unrestricted Reserves of the Charity at the year-end are £ 777k (2016 - £642k).



The Clare Foundation Limited  
 A Company Limited by Guarantee  
 Financial statements for the year ended 31 December 2017

## Trustees' Annual Report

Reserves are an inherent part of the risk management process. Reserve thresholds are assessed as part of the strategic planning process, currently on a three-year cycle. The Trustees regularly monitor and review the level of reserves and consider them both in the annual planning and budgeting process and in the relation to confirmed income from tenants of the Clare Charity Centre.

### Investment Policy

The Trustees' investment objectives remained unaltered during the year, however following the disposal of the building, the funds have been placed on fixed interest deposit pending the outcome of the strategic review. A new Investment Committee is to be set up to develop and oversee the management of these funds and to seek professional advice as to the longer term investment objective to prudently invest in a range of fixed interest securities, UK and overseas equities and other investment classes.

### Risk Statement

The Trustees have identified and managed over the last year the following risks to which the Charity was exposed to as:

- i. Reduced occupancy and utilisation of the Clare Charity Centre leading to financial loss.

The Trustees monitor occupancy and utilisation on a regular basis and receive regular reports from management on tenant activity.

- ii. Major structural works or defects at the Clare Charity Centre leading to disruption of occupancy and utilisation and significant capital expenditure.

The Trustees have developed a programme of works and machinery replacement to ensure that the Clare Charity Centre is maintained to an appropriate standard. This is monitored on a regular basis at meetings of the Trustees.

- iii. Failure to develop significant alternative sources of revenue from Charity Services Activities to promote the wider objectives of the Charity and to reduce dependence on the Clare Charity Centre.

Following the sale of the building the Trustees have reassessed the risks to which the Charity is exposed to as:

- i. Failure to manage the key assets effectively.

The Trustees mitigate this risk by seeking professional advice as to how to deploy these funds.

- ii. Failure to identify future risks to the Charity.

The Clare Foundation Limited  
A Company Limited by Guarantee  
Financial statements for the year ended 31 December 2017

## Trustees' Annual Report

The Trustees are to re-assess the risk profile of the Charity following the completion of the strategic review. Systems and procedures will be developed to mitigate future risks. Any changes or updates to the risk register are reviewed at quarterly Trustee Meetings. The register as a whole is reviewed for completeness on an annual basis.

### Related Parties

Clarenco LLP has provided consultancy services to the Charity during the period. Michael Clare is Executive Chairman of Clarenco LLP. The Clare Family Office, of which Michael Clare is a principal, has provided consultancy services to the Charity during the period on a "pro-bono" basis, the market value of similar services was not considered material. A register of related party interests is maintained for all Trustees.

### Auditors

The Trustees recommend that Saffery Champness LLP should be re-appointed as auditors to the company and they have expressed their willingness to remain in office.

ON BEHALF OF THE BOARD



.....  
Michael Elliott

Joint Chair

Date: 13 September 2018

The Clare Foundation Limited  
A Company Limited by Guarantee  
Financial statements for the year ended 31 December 2017

## Report of the Independent Auditor to the Trustees of The Clare Foundation

### Opinion

We have audited the financial statements of The Clare Foundation for the year ended 31 December 2017 which comprise the statement of financial activities, the balance sheet and the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Clare Foundation Limited  
A Company Limited by Guarantee  
Financial statements for the year ended 31 December 2017

## Report of the Independent Auditor to the Trustees of The Clare Foundation

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

*In our opinion, based on the work undertaken in the course of the audit:*

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or

The Clare Foundation Limited  
A Company Limited by Guarantee  
Financial statements for the year ended 31 December 2017

## Report of the Independent Auditor to the Trustees of The Clare Foundation

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and to take advantage of the small companies' exemption in preparing the Trustees' Annual Report and the Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

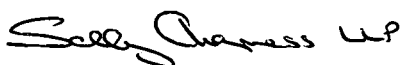
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

The Clare Foundation Limited  
 A Company Limited by Guarantee  
 Financial statements for the year ended 31 December 2017

## Report of the Independent Auditor to the Trustees of The Clare Foundation

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
 Karen Bartlett (Senior Statutory Auditor)  
 For and on behalf of

Saffery Champness LLP  
 Chartered Accountants

St John's Court  
 Easton Street  
 High Wycombe  
 Buckinghamshire  
 HP11 1JX

Statutory Auditors

Date: 17.09.19

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## Statement of Financial Activities (incorporating an income and expenditure account)

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Unrestricted funds £	Restricted funds £	Total funds 2016 £
<b>Income from:</b>							
Donations and legacies	2	38,100	23,022	61,122	11,264	33,944	45,208
Charitable activities	3	814,283	23,088	837,371	855,020	21,726	876,746
Other trading activities		-	-	-	-	-	-
Investments		105	-	105	168	-	168
<b>Total</b>		<b>852,488</b>	<b>46,110</b>	<b>898,598</b>	<b>866,452</b>	<b>55,670</b>	<b>922,122</b>
<b>Expenditure on:</b>							
Raising funds	5	(3,600)	(23,155)	(26,755)	-	(12,532)	(12,532)
Charitable activities	6/7	(861,827)	(15,094)	(876,921)	(871,987)	(37,153)	(909,140)
<b>Total</b>		<b>(865,427)</b>	<b>(38,249)</b>	<b>(903,676)</b>	<b>(871,987)</b>	<b>(49,685)</b>	<b>(921,672)</b>
<b>Gain/(losses) on investments</b>	14	<b>71,342</b>	<b>-</b>	<b>71,342</b>	<b>55,250</b>	<b>-</b>	<b>55,250</b>
<b>Net income/(expenditure)</b>		<b>58,403</b>	<b>7,861</b>	<b>66,264</b>	<b>49,715</b>	<b>5,985</b>	<b>55,700</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		<u>3,669,869</u>	<u>17,512</u>	<u>3,687,381</u>	<u>3,620,154</u>	<u>11,527</u>	<u>3,631,681</u>
<b>Total funds carried forward</b>	18	<b><u>3,728,272</u></b>	<b><u>25,373</u></b>	<b><u>3,753,645</u></b>	<b><u>3,669,869</u></b>	<b><u>17,512</u></b>	<b><u>3,687,381</u></b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The accompanying accounting policies and notes form an integral part of these financial statements.

## Balance Sheet

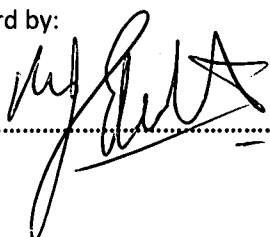
	Note	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Tangible assets for use by the charity	11		3,066,291		3,118,539
Investment in subsidiary	12		12		12
			<u>3,066,303</u>		<u>3,118,551</u>
<b>Current assets</b>					
Stocks		1,155		1,225	
Debtors	13	111,986		161,667	
Investments	14	659,393		588,124	
Cash at bank and in hand		299,056		193,639	
		<u>1,071,590</u>		<u>944,655</u>	
<b>Creditors - amounts falling due within one year</b>	15	<u>(384,248)</u>		<u>(375,825)</u>	
<b>Net current assets</b>			<u>687,342</u>		<u>568,830</u>
<b>Net Assets</b>			<u>3,753,645</u>		<u>3,687,381</u>
<b>Funds</b>					
Unrestricted funds	18/19		3,610,781		3,579,669
Designated funds	18		117,491		90,200
Restricted funds	18/20		25,373		17,512
			<u>3,753,645</u>		<u>3,687,381</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The accompanying accounting policies and notes form an integral part of these financial statements.

The financial statements were approved by the Trustees on 13 September 2018, and were signed on behalf of the board by:

Michael Elliott  
Joint Chair



Charity registration number – 1131949  
Company registration number – 06995233



## Statement of Cash Flows

	2017 Total funds £	2016 Total funds £
<b>Cash flows from operating activities:</b>		
<b><i>Net cash provided by operating activities</i></b>	<b><u>122,454</u></b>	<b><u>52,761</u></b>
<b>Cash flow from investing activities:</b>		
Dividends, interest and rents from investments	105	168
Purchase of property, plant and equipment	(18,631)	(7,822)
Disposal of property, plant and equipment	1,416	4,031
Proceeds from sale of investments	73	1,010
Purchase of investments	-	(120,000)
<b><i>Net cash used in investing activities</i></b>	<b><u>(17,037)</u></b>	<b><u>(122,613)</u></b>
Change in cash and cash equivalents in the reporting period	105,417	(69,852)
Cash and cash equivalents at 31 December 2016	<u>193,639</u>	<u>263,491</u>
<b>Cash and cash equivalents at 31 December 2017</b>	<b><u>299,056</u></b>	<b><u>193,639</u></b>

	2017 Total funds £	2016 Total funds £
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities:</b>		
<b><i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i></b>	<b>66,264</b>	<b>55,700</b>
<b>Adjustments for:</b>		
Depreciation	70,279	71,476
Gains on investments	(71,342)	(55,250)
Dividends, interest, and rent from investments	(105)	(168)
Loss on sale of fixed assets	(816)	(2,847)
Decrease in stocks	70	495
Decrease in debtors	49,681	(1,291)
Increase in creditors	<u>8,423</u>	<u>(15,354)</u>
<b><i>Net cash provided by (used in) operating activities</i></b>	<b><u>122,454</u></b>	<b><u>52,761</u></b>

	2017 Total funds £	2016 Total funds £
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	<u>299,056</u>	<u>196,639</u>
<b>Total cash and cash equivalents</b>	<b><u>299,056</u></b>	<b><u>196,639</u></b>

## Principal Accounting Policies

### Company information

The Clare Foundation Limited is a private Company Limited by Guarantee incorporated in England and Wales. The registered office is at Sunley House (4<sup>th</sup> Floor), Oxford Road, Aylesbury, Buckinghamshire, HP19 8EZ.

### Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with the recommendations in the Statement of Recommended Practice: Accounting by Charities (the SORP (FRS 102)) issued in 2014 (with effect from 1 January 2015), the Companies Act 2006 and applicable Accounting Standards (Financial Reporting Standard 102). The disclosure requirements of Financial Reporting Standard 102 (FRS 102) have been applied other than where additional disclosure is required to show a true and fair view.

The Clare Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

These financial statements for the year ended 31 December 2017 are prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015.

There are no material uncertainties about the Charity's ability to continue as a going concern.

The principal accounting policies are set out below and remain unchanged from the previous period.

### Consolidation

The Charity has two wholly owned subsidiaries, TCF Trading Limited and 4C Bucks Limited, which are both incorporated in the United Kingdom.

In accordance with the Charities SORP (FRS102), the Charity has not prepared consolidated financial statements incorporating the result of its subsidiary companies in accordance with Charities Act 2011 on the basis that these companies are immaterial to the Charity.

### Income

#### Rental Income

Income is recognised in the statement of financial activities over the period to which each receipt relates. Any monies received in advance of the period to which they relate are credited to payments received in advance and transferred to the income and expenditure account over the relevant period.

Incentives given, such as rent free periods, are spread over the life of the lease.

## Principal Accounting Policies

### Donations

All monetary donations and legacies are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Voluntary help is not included in income, in monetary terms.

### Investment income

Investment income, including associated tax recoveries, but with the exception of income receivable in respect of fixed interest securities, is recognised when receivable. Income receivable in respect of fixed interest securities is recognised on the accruals basis.

### Income from donated services

Income from donated services is recognised when the charity becomes entitled to the service and service has been received and is measured at an open market rate.

### Expenditure

Expenditure, which is charged on an accruals basis, is allocated between:

- Expenditure incurred directly to the fulfilment of the Charity's objectives (charitable activities); and
- Expenditure incurred directly in the effort to raise voluntary contributions (raising funds).

Items of expenditure involving more than one cost category are apportioned on the basis of the estimated costs relating to each category as appropriate. Note 7 details the basis of apportioning costs. In summary:

- Governance costs are costs associated with the governance arrangements of the Charity which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activity. Governance costs include external audit, legal and professional fees, remuneration to Trustees and costs associated with constitutional and statutory requirements. This category also includes any costs associated with the strategic management of the Charity's activities.
- Office costs and employment costs are apportioned based on staff time analysis.

### Assets

Assets are recognised when there is a legal and constructive right to the asset.

## Principal Accounting Policies

### Liabilities

Liabilities are recognised when there is a legal and constructive obligation committing the Charity to the expenditure.

### Corporation Tax and VAT

The Charity has charitable status and is exempt from corporation tax on the income it has received.

The Charity is registered for VAT.

### Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the Charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

### Stocks

Stocks are stated at the lower of cost and sales price less costs to sell.

### Tangible Fixed Assets and Depreciation

Tangible fixed assets are capitalised at cost where their acquisition value is greater than £250 and are stated at cost net of depreciation.

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Land & buildings	over 100 years, on a straight-line basis
Plant & machinery	over 10 years, on a straight-line basis
Fixtures, fittings and kitchen/office equipment	over 5 years, on a straight-line basis
Computer equipment and software	over 3 years, on a straight-line basis

### Leased Assets

All leases are regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

## Principal Accounting Policies

### **Investment in subsidiary undertakings**

Investments in subsidiaries are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed when there has been an indication of potential impairment.

### **Listed Investments**

Listed investments are valued at their market value in their native currency at the end of the financial year and are translated at the rate ruling at this date. Cash held as part of an investment portfolio, as a monetary asset, is translated using the closing rate method. Net gains and losses arising on revaluations and disposals during the period are included in the SOFA. Realised gains and losses arise on the sale of investments and represent the difference between the valuation at the beginning of the financial year and the proceeds from the sale of the investment. Unrealised gains and losses consist of the movement in the market value of investments on an annual basis.

### **Retirement benefits**

The defined contribution scheme pension costs charged against the SOFA are the contributions payable to the scheme, in respect of the accounting period.

### **Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

## Notes to the financial statements

### 1 Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 2 Donations and legacies

	Unrestricted funds £	Restricted funds £	2017 Total £	Unrestricted funds £	Restricted funds £	2016 Total £
Donation income:						
Donated services	26,400		26,400			
Individuals	377	23,022	23,399	739	33,944	34,683
Gift Aid from Subsidiary	11,323	-	11,323	10,525	-	10,525
<b>Total voluntary income</b>	<b>38,100</b>	<b>23,022</b>	<b>61,122</b>	<b>11,264</b>	<b>33,944</b>	<b>45,208</b>

### 3 Charitable activities income

	Unrestricted funds £	Restricted funds £	2017 Total £	Unrestricted funds £	Restricted funds £	2016 Total £
Charity Centre operational costs	633,155	-	633,155	653,000	-	653,000
Conference & bistro	171,685	-	171,685	193,601	-	193,601
4C Bucks	-	-	-	-	-	-
Non-Charity Centre development	9,443	23,088	32,531	8,419	21,726	30,145
<b>Total</b>	<b>814,283</b>	<b>23,088</b>	<b>837,371</b>	<b>855,020</b>	<b>21,726</b>	<b>876,746</b>

### 4 Total income

No income was attributable to geographical markets outside the United Kingdom.

## Notes to the financial statements

### 5 Costs of raising funds

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total 2017 £	Restricted Funds 2016 £	Basis of allocation
Bursary and fiscal fund disbursement	<u>3,600</u>	<u>23,155</u>	<u>26,755</u>	<u>12,532</u>	Direct

### 6 Charitable activities expenses

	Unrestricted funds £	Restricted funds £	2017 Total £	Unrestricted funds £	Restricted funds £	2016 Total £
Charity Centre operational costs	653,052	-	653,052	645,425	-	645,425
Conference & bistro	155,393	-	155,393	186,482	-	186,482
4C Bucks	-	-	-	258	-	258
Training	-	-	-	480	-	480
Non-Charity Centre development	<u>53,382</u>	<u>15,094</u>	<u>68,476</u>	<u>39,342</u>	<u>37,153</u>	<u>76,495</u>
Total	<u>861,827</u>	<u>15,094</u>	<u>876,921</u>	<u>871,987</u>	<u>37,153</u>	<u>909,140</u>

	Activities undertaken directly £	Support costs (note 8) £	Total 2017 £
Charity Centre operational costs	423,268	229,784	653,052
Conference & bistro	109,770	45,623	155,393
4C Bucks	-	-	-
Training	-	-	-
Non-Charity Centre development	<u>46,757</u>	<u>21,719</u>	<u>68,476</u>
	<u>579,795</u>	<u>297,126</u>	<u>876,921</u>

## Notes to the financial statements

### 7 Analysis of expenditure

	Charitable activities £	Governance £	Costs of raising funds £	2017 Total £	2016 Total £	Basis of allocation
Marketing including website	3,685	-	-	3,685	5,751	Direct*
Fundraising and promotional projects	1,576	-	-	1,576	19,288	Direct*
Donated services	26,400	-	-	26,400	-	Direct*
Conference & bistro	85,744	-	-	85,744	110,581	Direct*
4C Bucks	-	-	-	-	258	Direct*
Training expenses	-	-	-	-	480	Direct*
Employment costs	288,384	-	-	288,384	290,711	Staffing
Building costs	199,286	-	-	199,286	209,835	Direct*
Rates & utilities	148,730	-	-	148,730	125,940	Direct*
Office costs	5,958	-	-	5,958	10,103	Staffing
Travel costs	2,223	-	-	2,223	3,520	Staffing
IT expenses	17,254	-	-	17,254	15,669	Staffing
Depreciation	70,279	-	-	70,279	71,476	Direct*
Loss on disposal of asset	(816)	-	-	(816)	(2,688)	Direct*
Audit & accountancy	1,565	6,300	-	7,865	6,750	Governance
Legal & professional	4,224	-	-	4,224	1,871	Direct*
Bursary/fiscal fund disbursement	15,095	-	26,755	41,850	51,432	Direct*
Bank charges	1,034	-	-	1,034	695	Staffing
	<b>870,621</b>	<b>6,300</b>	<b>26,755</b>	<b>903,676</b>	<b>921,672</b>	



## Notes to the financial statements

Total expenditure includes:

	2017 £	2016 £
Auditors remuneration:		
- Audit services	6,300	6,100
- Non-audit services	1,565	650
Operating lease payments	23,497	22,688
Depreciation:		
- Tangible fixed assets	<u>70,279</u>	<u>71,476</u>

\* Costs that are allocated on a "Direct" basis are charged directly to the project or programme to which they relate; no apportionment of those costs is required.

### 8 Analysis of support costs

	Governance	Admin & Finance	Information Technology	Total
	£	£	£	£
Charity Centre operational costs	6,300	212,103	11,381	229,784
Conference & bistro	-	40,855	4,768	45,623
Non-Charity Centre development	-	20,614	1,105	21,719
Total	<u>6,300</u>	<u>273,572</u>	<u>17,254</u>	<u>297,126</u>
Basis of allocation	Direct	Direct	Direct	

### 9 Employees

	2017 £	2016 £
Wages and salaries	288,384	324,366
Social security costs	20,627	22,811
Redundancy payment	-	3,353
Pension costs	2,896	2,778
Staff Training	<u>648</u>	<u>987</u>
	<u>312,555</u>	<u>354,295</u>

## Notes to the financial statements

The average number of employees during the period, analysed by activity, was as follows:

	2017 Number	2016 Number
Costs of generating funds	1	1
Charitable activities	14	15
	<u>15</u>	<u>16</u>

During the period 1 employee received emoluments in the band £70,001 - £80,000 (2016: 1 employee in the band £70,001 - £80,000). This individual was the only employee to be considered key management personnel.

### 10 Payments to Trustees and connected persons

The Trustees, who are also directors of the Charity, are not entitled to receive any remuneration from the Charity. No expenses were paid to any Trustee or connected person during the period.

### 11 Tangible fixed assets

	Land & Buildings	Plant and Machinery	Fixtures, Fittings & Office Equipment	Computer Equipment & Software	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2017	3,241,956	75,366	178,350	42,789	3,538,461
Additions	-	1,675	16,238	718	18,631
Disposals	-	(900)	-	-	(900)
At 31 December 2017	<u>3,241,956</u>	<u>76,141</u>	<u>194,588</u>	<u>43,507</u>	<u>3,556,192</u>
<b>Depreciation</b>					
At 1 January 2017	221,350	40,229	121,617	36,726	419,922
Charge for year	32,420	7,685	25,895	4,279	70,279
Eliminated on disposal	-	(300)	-	-	(300)
At 31 December 2017	<u>253,770</u>	<u>47,614</u>	<u>147,512</u>	<u>41,005</u>	<u>489,901</u>
<b>Net book value</b>					
At 1 January 2017	3,020,606	35,137	56,733	6,063	3,118,539
At 31 December 2017	<u>2,988,186</u>	<u>28,527</u>	<u>47,076</u>	<u>2,502</u>	<u>3,066,291</u>

## Notes to the financial statements

### 12 Investment in Subsidiary

	Total £
<b>Cost</b>	
At 1 January 2017	12
Additions	
At 31 December 2017	<u>12</u>

Name of undertaking	Country of incorporation	Description of Shares	Proportion of nominal value of issued shares held
TCF Trading Ltd	England & Wales	Ordinary £1 shares	100%
4C Bucks Limited	England & Wales	Ordinary £1 shares	100%

TCF Trading Ltd operates in England. The principal activity of the Company is the hiring out of rooms and grounds owned by The Clare Foundation Limited to commercial entities. TCF Trading Limited is a company with capital and reserves at 31 December 2017 of £10 (2016: £10) and a profit for the year ended 31 December 2017 of £nil (2016: £nil) having made a gift aid payment to The Clare Foundation of £11,323 (2016: £10,525).

4C Bucks Limited remained dormant throughout 2017.

### 13 Debtors

	2017 £	2016 £
Trade debtors	43,453	84,852
Amounts due from subsidiaries	20,310	20,605
Prepayments	48,223	52,281
Accrued income	-	3,929
	<u>111,986</u>	<u>161,667</u>

## Notes to the financial statements

### 14 Investment assets

All investment assets are held primarily to provide an investment return.

	£
Carrying value (market value) at 1 January 2017	588,124
Increase in investment	-
Withdrawal from investments	(73)
Net unrealised gain	<u>71,342</u>
<b>Carrying value (market value) at 31 December 2017</b>	<b><u>659,393</u></b>

At 31 December 2017, the investment portfolio (UK based) was split into the following asset classes:

	2017 £
Fund Investments	659,393
Alternative Investments	-
	<u>659,393</u>

### 15 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	35,930	31,677
Amounts due to subsidiaries	10	10
Accruals	18,532	22,454
Deferred income	111,983	135,264
Social security and other taxes	30,110	33,494
Other creditors	<u>187,683</u>	<u>152,926</u>
	<b><u>384,248</u></b>	<b><u>375,825</u></b>

### 16 Deferred income

Deferred income relates to tenant and other income recognised over more than one financial period.

	2017 £	2016 £
Balance as at 1 January 2017	135,264	157,474
Amount released to income earned from charitable activities	(128,264)	(150,474)
Amount deferred in year	<u>104,983</u>	<u>128,264</u>
<b>Balance as at 31 December 2017</b>	<b><u>111,983</u></b>	<b><u>135,264</u></b>

## Notes to the financial statements

### 17 Financial instruments

The carrying amount of financial assets which are debt instruments at amortised cost is £63,763 (2016: £105,457). The carrying amount of financial liabilities which is measured at amortised cost is £242,155 (2016: £207,067).

### 18 Fund movements summary

	Unrestricted funds (note 19) £	Designated funds £	Restricted funds (note 20) £	Total funds £
At 1 January 2017	3,579,669	90,200	17,512	3,687,381
Incoming resources	818,852	33,636	46,110	898,598
Expenditure	(859,082)	(6,345)	(38,249)	(903,676)
Unrealised gain	71,342	-	-	71,342
At 31 December 2017	<u>3,610,781</u>	<u>117,491</u>	<u>25,373</u>	<u>3,753,645</u>

#### Designated funds

The Sinking Fund will provide a financial reserve for the purpose of replacing items of capital equipment as they become obsolete or for major maintenance or renewal of elements of the building. It will also be utilised for items of major building expenditure, such as replacement windows/roofing/chillers/boilers/heating systems/lifts/grounds development etc.

### 19 Unrestricted funds

	General undesignated funds £	Unrealised revaluation reserve £	Total unrestricted funds £
At 1 January 2017	3,462,011	117,658	3,579,669
Incoming resources	818,852	71,342	890,194
Expenditure	(859,082)	-	(859,082)
At 31 December 2017	<u>3,421,781</u>	<u>189,000</u>	<u>3,610,781</u>

## Notes to the financial statements

### 20 Restricted funds

	Balance at 1 January 2017 £	Incoming £	Outgoing £	Balance at 31 December 2017 £
EduHaitian	10,575	14,900	(12,359)	13,116
Attacked Not Defeated	1,040	20,403	(9,700)	11,743
OK Our Kids	5,897	10,807	(16,190)	514
	<b>17,512</b>	<b>46,110</b>	<b>(38,249)</b>	<b>25,373</b>

All of the above restricted funds relate to the Charity Incubator Programme. The principal purpose of each of the funds is as follows:

#### **EduHaitian**

To support the education of children in Haiti affected by the earthquake of January 2010.

#### **Attacked Not Defeated (AND)**

To provide support and education to abused women in Uganda.

#### **OK Our Kids**

To provide educational material and advice to primary school children in the UK to help ensure their health & safety in the community.

### 21 Analysis of net assets between funds

	Unrestricted fund £	Designated fund £	Restricted fund £	Total £	2016 £
Tangible fixed assets	3,066,291	-	-	3,066,291	3,118,539
Investments	12	-	-	12	12
Current assets	1,046,217	-	25,373	1,071,590	944,655
Current liabilities	(266,757)	(117,491)	-	(384,248)	(375,825)
	<b>3,845,763</b>	<b>(117,491)</b>	<b>25,373</b>	<b>3,753,645</b>	<b>3,687,381</b>

### 22 Contingent liabilities

There were no contingent liabilities as at 31 December 2017 (2016: £Nil)

## Notes to the financial statements

### 23 Operating lease commitments

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Other	Land	Total	2016
	£	£	£	£
Within 1 year	2,563	20,934	23,497	23,497
Between 2 and 5 years	2,117	83,736	85,853	88,416
After 5 Years	-	353,297	353,297	374,231

### 24 Operating lease receipts

At the reporting end date, the charity had commitments for future minimum lease receipts under non-cancellable operating leases, which have been calculated to 15 May 2018, when the building was sold, are as follows:

	Land	Total	2016
	£	£	£
Within 1 year	152,360	152,360	464,953
Between 2 and 5 years	-	-	927,963
After 5 years	-	-	811,628

### 25 Post balance sheet event

The Charity sold its major asset, the Clare Charity Centre, to Maplefox Ltd, a division of the MCR Property Group, on the 15 May 2018 for redevelopment. The building was sold for £6m on a going concern basis. This transaction has reduced Fixed Assets by £3.1m, increased Current Assets by £5.8m, and Reserves are estimated to increase by £2.7m to £6.5m.

### 26 Capital commitments

There were no capital commitments as at 31 December 2017 (2016: £Nil).

### 27 Related party transactions

The Clare Family Office, of which Michael Clare and Carol Clare are principals, provided consultancy and advisory services to the Charity on a "pro-bono" basis during the period, the market value of similar services was considered to be £5,000.

During the year, the charity made sales to TCF Trading Limited, a wholly owned subsidiary, amounting to £38,112 (2016: £33,916). A balance of £8,988 (2016: £10,080) was outstanding as at 31 December 2017.

The transfer under gift aid of the trading profits of TCF Trading Limited to the Charity of £11,323 (2016: £10,525) of which £11,323 (2016: £10,525) was outstanding as at 31 December 2017.