



Report of the trustees and annual accounts 2015



Charity registration number 1115729

Company registration number 05593409 (England and Wales)

Halcrow Foundation

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The front cover photograph shows children of the Katha Lab School, New Delhi enjoying inspiring and interactive education.

Report of the trustees for the year ended 31st December 2015

Objectives and activities

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

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

Our aim is to mobilise people in the engineering and construction communities to bring transformative and sustainable improvements to the lives of people in need, working in partnership with other charitable trusts and organisations. Together, we can directly apply our financial resources to practical, grassroots projects that make tangible and lasting improvement to the lives of people suffering acute hardship.

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

Our work to date has been with individuals and communities in selected areas of Africa, Asia and the UK where need is most evident and where we can ensure good governance of our projects through our network of project sponsors and partners.

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

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

All projects have a project sponsor who acts as the principal supervisor of an individual project. The project sponsor is someone with a close relationship with the delivery partner and who can ensure the effectiveness of the project design to meet beneficiary needs. Our network of experienced project sponsors is known locally for their passionate commitment to help those in need. They are respected for their transparency and accountability and trusted by the communities in which they work and have a track record of developing and enabling the delivery of projects on the ground, using their local knowledge, expertise and contacts. They are trusted people from around the world who share our vision and are experienced in charitable work.

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

Report of the trustees for the year ended 31st December 2015

Strategy to achieve objectives

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

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

All such projects will be developed based on a local commitment to use and maintain the facilities provided and will be implemented generally through local delivery partners with an understanding of local needs and ambitions. We are aiming to reach at least 20,000 people through funding community infrastructure projects by 2018.

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

All such projects will create increased resilience and work to enable people to be their own catalysts for change and will be implemented generally through local delivery partners with an understanding of local needs and ambitions. We are aiming to reach at least 20,000 people through well-being and income security projects by 2018.

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

We will continue to be well governed and run, developing our organisation for our new aspirations and in the context of having a secure income. By 2018 we will have an increased number of trustees and volunteers helping to lead, manage and deliver our work, in line with our development and succession plan. We have a professionally managed investment portfolio, maximising the returns on our investments and allowing a core, sustainable income for our work with the potential for growth in real terms. We will have a clear and impact focused pipeline of projects for funding and will always be able to know and show the impact of our work. We will actively follow up and learn lessons from our projects, thus informing our intelligence as a funder and helping us to improve the way we work.

To increase the number of partnerships we have with the engineering community and other trusts and foundations

We are aiming to have at least six strategic relationships with engineering firms that provide suitable match funding of at least £50,000 per year by 2018. We are also aiming to have at least six partnerships with other trusts and foundations who share our goals and who will provide suitable match funding of at least £150,000 per year to projects that we support by 2018. We are also aiming to have obtained the further support of other trusts, foundations and individuals who will be collectively contributing £6,000 per year towards our projects.

Achievements and performance

We have secured a sustainable future for the charity

We started the year uncertain about the likely timing and value of donations from the Halcrow Trust and insufficient reserves to fund any additional commitments. A donation of £200,000 in February 2015 from the Trust enabled us to engage immediately with potential partners. The Foundation was very pleased to receive a distribution of residual funds from the Trust in the form of a donation of £4m in October 2015 and this will secure the future of the charity and enable us to plan and commit to projects in a timely manner. Although the donation was made without conditions, the trustees have committed to maintaining the investment in real terms.

Report of the trustees for the year ended 31st December 2015

Achievements and performance (continued)

We have refined our strategy and policies

During the year, we updated our assessment process for the selection of projects, including the identification of key criteria including “value for money”, alignment with strategy, the need for evidence to support outcome statements, clear definition of beneficiary needs, and the identification of the potential for sustainable transformation. A new project assessment form was developed to align with the updated process. We have reviewed our policies relating to risk management, investments and vulnerable beneficiaries as well as our code of practice, standard contract and policy statements regarding partnerships and sponsors. We have developed an internal and external communication strategy including communications with our sponsors and supporters and potential partners to ensure a co-ordinated approach. We have engaged with Twitter, Facebook and LinkedIn with the objective of following the progress of projects via social media. We have created and developed a website and have started building an images library. We have developed a strategy for dialogue with members of the engineering community to better understand their priorities and have prepared an engagement plan to target potential funding partners.

We draw attention to three grants we have paid this year:

Katha Lab School and Teacher Training Programme, India - £32,000

The purpose of this project is to train 820 teachers over three years to improve the quality of education for approximately 120,000 deprived children in New Delhi. Katha was founded in 1988 and works in the slums of New Delhi to ensure that children receive high-quality education. Katha works with schools and communities to take a creative approach to education that makes learning inspiring and interactive. The Katha Lab School is based in Govindpuri, the largest slum community in New Delhi, and serves as a test-bed for Katha’s Innovations in education, which are then scaled up across all strands of its work. The project will support children aged 0-17 years within the Katha Lab School and other government, NGO and low-cost schools to facilitate access to quality education for first generation learners from economically disadvantaged families; assist in overcoming urban poverty and lack of economic power; and help counter gender, cultural and social stereotypes. The local delivery partner is The British Asian Trust and the project will cost £164,989 over three years with the Foundation’s commitment amounting to £90,000.

“25 Pairs of Hands” Oral History Project, Middleport Pottery, Stoke-on-Trent, UK - £5,335

The purpose of this project is to create an oral and visual history collection based in Stoke-on-Trent, designed to record memories of the Middleport Pottery employees past and present as well as those connected with, or having memories of, the works and local area. This oral history project has been led by The Prince’s Regeneration Trust which owns the Pottery with support from Staffordshire University. The aim of the project has been to train and up-skill young people in this deprived area, giving them valuable new skills, increase their employment prospects and instil confidence and a sense of pride in their heritage and community. The milestones of the project have been: creation of one six-month placement for a local NEET young person; provision of training and personal development for six students aged 14-16 years from the Unity Foundation; collection of 25 interviews from local elderly people for use in the heritage interpretation at Middleport Pottery and for deposit in the historical archives; using memories as inspiration, the six students produced several art pieces to achieve their Level Two Arts Award; production of a book documenting the oral histories records recorded in July 2015 called “Middleport Memories” (now available to buy); production of a film about the project in August 2015 also called “Middleport Memories” (which can be viewed on Youtube); and production of a second film about a tour of Middleport Pottery’s Burleigh factory by young people from the Unity Foundation. The local delivery partner was The Prince’s Regeneration Trust and the project cost £30,954 over nine months with the Foundation’s contribution amounting to £9,577.

Report of the trustees for the year ended 31st December 2015

Achievements and performance (continued)

Rural Management Training Institute (Gram Niketan) Project, India - £4,670

The purpose of this project is to build leadership capabilities and play an effective role in complementing the efforts of nation building by strengthening the resource capability of village communities through personal training. Training modules have been developed and delivered to include: self-development and life skills; rural management and leadership, natural resource management, government schemes and legal issues, crime prevention; and the role of panchayat (village council) and community thereby increasing levels of literacy, economic activity and internship. The project provided training to 50 beneficiaries through the provision of 120 training sessions covering the modules listed above, each module representing 7 to 17 training days. Following completion of the course, trainees will be aware of the issues relating to government schemes, law, crime prevention, farming techniques, natural resource and disaster management that will build confidence in preparation for leadership roles within the rural community. The local delivery partner was the Navjyoti Foundation and the project cost £19,490 over one year with the Foundation's contribution amounting to £9,340.

Plans for future periods

The generous legacy of the Halcrow Trust will give us financial strength and stability to continue to support projects which bring about transformative and sustainable change to the lives of those who need us most. We are aiming to award grants of up to £250,000 next year. We look forward to a new era in the work of the Foundation and anticipate with secure and invested core funds we will be able to enable the good works we all believe in for many years to come.

Reference and administrative details

Trustees (directors)	Carrie Deacon (until 14th March 2016) David Kerr Anna Mann Madhu Rajesh Malcolm Wallace Andrew Yeoward
Chair of trustees (directors)	David Kerr
Company secretary and finance manager	James Billinghamurst
Press officer	Clare Dorey
Registered office	11 Fielding Road Chiswick London W4 1HP
Charity registration number	1115729
Company registration number	05593409

Halcrow Foundation

Report of the trustees for the year ended 31st December 2015

Reference and administrative details (continued)

Website	halcrowfoundation.org	
Bankers	CAF Bank Ltd 25 Kings Avenue West Malling Kent ME19 4JQ	Virgin Money Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Listed investment managers	Rathbone Investment Management Limited Port of Liverpool Building, Pier Head Liverpool L3 1NW	
Auditors	Woodward Hale Limited 38 Dollar Street Cirencester Gloucestershire GL7 2AN	

Structure, governance and management

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

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

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

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

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

Report of the trustees for the year ended 31st December 2015

Structure, governance and management (continued)

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

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

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

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

The trustees have a broad mix of skills relating to development projects throughout the world. The skill mix is regularly reviewed and new appointments made where necessary to replace skills lost due to retirement or when additional skills are required. Applicants would be provided with an information pack outlining the history of the organisation, its structure, activities and objectives, roles and expectations of trustees plus other supporting information. A new trustee would be provided with information on the activities, financing and management structure of the charity, together with Charity Commission guidance and codes of conduct related to the roles and responsibilities of trustees.

Grants policy

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

Ethical policy

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

We have a duty to use our funds efficiently and effectively and in pursuit of our stated objectives in an open and accountable way and to use all reasonable means to ensure that implementers do the same. In addition to signing a contract committing them to implement the project as agreed, we expect project implementers to sign and comply with a code of conduct. Any representative who does not comply will not be allowed to continue to act on the behalf of the Foundation and will be asked to resign from their representative role. The Foundation will take such action it considers appropriate in relation to any failure

Report of the trustees for the year ended 31st December 2015

Structure, governance and management (continued)

Ethical policy (continued)

to comply with this code, including reporting the actions of the representative to their employers or the relevant authorities. We will never accept corrupt, unfair or discriminatory practices. Our processes and systems are continuously reviewed to ensure that they represent best practice.

Investment policy

The trustees pursue a policy that provides income for current activities while enhancing the underlying capital value of the assets. The manager of the charity's listed investment has been briefed to invest the funds under their control on a medium risk basis so as to obtain above average rates of return. The fund is subject to ethical investment constraints. We periodically review performance to ensure the best outcome.

Reserves policy

The reserves of the charity are wholly unrestricted. While future circumstances may justify the adoption of a different approach, the trustees favour a policy for now that commits the Foundation to maintain the investment fund in real terms measured against the CPI index. The charity will aim to fund grants and support and governance costs from income. The trustees will continue to monitor liquidity to ensure that this is sufficient to cover on-going expenditure.

Risk

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

Financial review

Incoming resources increased to £4,206,165 compared with £6,590 in the prior year because of a donation of £4.2m from the Halcrow Trust. Grants of £47,005 were paid compared with £42,262 in the prior year. Spending on support costs has reduced by £13,115 to £14,480. The net movement in funds shows a surplus of £4,231,521 compared with a deficit of £46,345 in the prior year.

The fixed asset investment in the Rathbone Active Income and Growth Fund was made in late October 2015 and there is insufficient information to calculate performance.

Public benefit

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

Report of the trustees for the year ended 31st December 2015

Statement of trustees' responsibilities

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

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

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

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

In so far as the trustees' are aware:

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

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 15th September 2016 and signed on their behalf by:

David Kerr
Chair of trustees

Halcrow Foundation

Independent auditor's report to the trustees of the Halcrow Foundation

We have audited the financial statements of the Halcrow Foundation for the year ended 31st December 2015 which comprise the statement of financial activities (including income and expenditure account), the balance sheet, cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities, 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Halcrow Foundation

Independent auditor's report to the trustees of the Halcrow Foundation

Other matter – prior period financial statements not audited

The charitable company was exempt from audit in the year ended 31st December 2014 and consequently the corresponding figures are unaudited.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the report of the trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Woodward Hale Limited, Statutory Auditors
38 Dollar Street
Cirencester
Gloucestershire
GL7 2AN

21st September 2016

Woodward Hale Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Halcrow Foundation

**Statement of financial activities (including income and expenditure account)
for the year ended 31st December 2015**

	Notes	Unrestricted funds 2015 £	Unrestricted funds 2014 £
Income from:			
<i>Donations</i>	3	4,204,386	6,089
<i>Investments</i>			
Bank interest		1,779	501
Total		<u>4,206,165</u>	<u>6,590</u>
Expenditure on:			
<i>Charitable activities</i>			
Grants	5	(19,193)	25,340
Support costs	4	14,480	27,595
Total		<u>(4,713)</u>	<u>52,935</u>
Net income/(expenditure)		4,210,878	(46,345)
Other recognised gains/(losses):			
Gains on revaluation of fixed assets		20,643	-
Net movement in funds		4,231,521	(46,345)
<i>Reconciliation of funds:</i>			
Fund balances brought forward		20,300	66,645
Fund balances carried forward	13	<u><u>4,251,821</u></u>	<u><u>20,300</u></u>

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

The notes on pages 14 to 18 form part of these accounts.

Halcrow Foundation

**Balance sheet
as at 31st December 2015**

	Notes	2015 £	2014 £
Fixed assets:			
Investments	6	4,020,643	-
<i>Total fixed assets</i>		4,020,643	-
Current assets:			
Debtors	7	213	-
Cash at bank and in hand		258,590	100,398
<i>Total current assets</i>		258,803	100,398
Liabilities:			
Creditors: amounts falling due within one year	8	(6,225)	-
<i>Net current assets</i>		252,578	100,398
Provisions for liabilities	9	(21,400)	(80,098)
<i>Net assets</i>		4,251,821	20,300
The funds of the charity:			
Unrestricted funds	13	4,251,821	20,300
<i>Total charity funds</i>		4,251,821	20,300

Approved by the trustees on 15th September 2016 and signed on their behalf by:

David Kerr
Chair of trustees

The notes on pages 14 to 18 form part of these accounts.

Halcrow Foundation

Statement of cash flows
for the year ended 31st December 2015

	Notes	2015 £	2014 £
<i>Net cash provided by/(used in) operating activities</i>	12	4,156,413	(66,295)
<hr/>			
<i>Cash flows from investing activities</i>			
Interest income		1,779	501
Purchase of investments		(4,000,000)	-
Net cash provided by investing activities		(3,998,221)	501
<hr/>			
<i>Increase/(decrease) in cash and cash equivalents in the year</i>		158,192	(65,794)
<i>Cash and cash equivalents brought forward</i>		100,398	166,192
<i>Cash and cash equivalents carried forward</i>		258,590	100,398
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Halcrow Foundation

Notes to the financial statements (continued) for the year ended 31st December 2015

1. Accounting policies

1.1 Basis of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities Act 2011 and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

1.2 Reconciliation with previous Generally Accepted Accounting Practice (GAAP)

In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required.

1.3 Public benefit entity

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

1.4 Income recognition

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

1.5 Donations of gifts, services and facilities

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

1.6 Interest receivable

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

1.7 Going concern

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

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

Notes to the financial statements (continued) for the year ended 31st December 2015

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. Donations

	2015	2014
	£	£
Donations from the Halcrow Trust	4,200,000	-
Other donations	4,386	6,089
	4,204,386	6,089
	4,204,386	6,089

4. Analysis of support costs

	2015	2014
	£	£
<i>Governance</i>		
Travel expenses	876	1,053
Auditors' remuneration	3,672	-
Auditors' remuneration for accounts preparation	2,448	-
<i>General support</i>		
Website design and maintenance	4,257	-
Consultancy	2,530	26,124
Miscellaneous	311	13
Bank charges	386	405
	14,480	27,595
	14,480	27,595

Halcrow Foundation

Notes to the financial statements (continued) for the year ended 31st December 2015

5. Grants

The charity undertakes its charitable activities through grant making and awarded the following grants to institutions during the year.

Project name	Katha Lab School and Teacher Training Programme	"25 Pairs of Hands" Oral History Project	Rural Management Training Gram Niketan Project	Medicines and second doctor at Savera Clinic	Deposit Guarantee Scheme	Baan Klang Village Development Partnership	
Sponsor	The British Asian Trust	The Prince's Regeneration Trust	Navjyoti India Foundation	Savera Association	Streets2 Homes	Population and Development International	
Aim	Education for disadvantaged children	Engage with excluded young people	Self-reliance for village communities	Medical care for slum dwellers	Assistance for homeless people	Sustainable village development	
Location	India	UK	India	India	UK	Thailand	
Balance sheet	£	£	£	£	£	£	Total
Grant commitments							
Brought forward	49,000	5,612	4,670	4,400	6,000	10,416	80,098
Paid in the year	(32,000)	(5,335)	(4,670)	(5,000)	-	-	(47,005)
Cancelled	-	(277)	-	-	(6,000)	(10,416)	(16,693)
Repaid	-	-	-	5,000	-	-	5,000
Carried forward	17,000	-	-	4,400	-	-	21,400
Statement of Financial Activities	£	£	£	£	£	£	Total
Charitable activities							
Grants cancelled	-	(277)	-	-	(6,000)	(10,416)	(16,693)
Grants repaid	-	-	-	(2,500)	-	-	(2,500)
Credit for the year	-	(277)	-	(2,500)	(6,000)	(10,416)	(19,193)

Halcrow Foundation

Notes to the financial statements (continued)
for the year ended 31st December 2015

6. Fixed asset investments

	2015 £	2014 £
Additions at cost	3,118,017	-
Investment (losses)/gains	20,643	-
Market value	3,138,660	-
Cash awaiting reinvestment	881,983	-
	<u>4,020,643</u>	<u>-</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

	2015 £	2014 £
Prepayments and accrued income	213	-
	<u>213</u>	<u>-</u>

8. Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	105	-
Accruals	6,120	-
	<u>6,225</u>	<u>-</u>

9. Provisions for liabilities

	2015 £	2014 £
Grant commitments (Note 5)	21,400	80,098
	<u>21,400</u>	<u>80,098</u>

10. Auditors' remuneration

During the year, auditors' remuneration to £3,060 and additional non-audit services for accounts preparation amounted to £2,040.

Halcrow Foundation

Notes to the financial statements (continued)
for the year ended 31st December 2015

11. Related party transactions

None of the trustees were paid any remuneration or received any other benefits from the charity (2014: £nil).

There were no related party transactions in the reporting period that required disclosure.

During the year, three trustees were reimbursed for travel expenses. The total amount reimbursed was £636.

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

	2015 £	2014 £
Net income/(expenditure) for the year	4,210,878	(46,345)
Deduct interest income shown in investing activities	(1,779)	(501)
Decrease (increase) in debtors	(213)	-
Increase (decrease) in creditors	(52,473)	(19,449)
Net cash (used in)/provided by operating activities	<u>4,156,413</u>	<u>(66,295)</u>

13. Movements in funds

	Balance at 1st January 2015 £	Income £	Expended £	Gains/ (losses) £	Balance at 31st December 2015 £
General funds	20,300	4,206,165	4,713	20,643	4,251,821
Total unrestricted funds	<u>20,300</u>	<u>4,206,165</u>	<u>4,713</u>	<u>20,643</u>	<u>4,251,821</u>

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

14. 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.