



Alison Godfrey

Godfrey Wilson Limited
Chartered Accountants & Statutory Auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

20 January 2022

Dear Alison

Letter of Representations on the Financial Statements for the Year Ended 31 March 2021

This representation letter is provided in connection with your audit of the financial statements of the charity for the year ended 31 March 2021.

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 8 May 2018, under the Charities Act 2011 for preparing financial statements, in accordance with 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).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2021.

2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.

Trusts

associated with

C. & J. Clark Ltd

3. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
4. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
5. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.
6. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
7. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
8. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees, other key management, close family and other business interests of the previous. We confirm that the related party relationships and transactions set out in appendix I are a complete list of such relationships and transactions and that we are not aware of any further related parties or transactions.
9. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees except as disclosed in the financial statements.
10. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
11. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
12. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
13. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.

Trusts

associated with

C. & J. Clark Ltd

14. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.
15. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.
16. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is set out in the management letter.
17. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
18. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.
19. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that: (a) so far as each trustee is aware, there is no relevant audit information of which you as auditors are unaware; and (b) each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.
20. We confirm the following specific representations made to you during the course of the audit:
 - (a) The trustees consider that the valuation of the unlisted shares in C&J Clarks Limited, dated 31 July 2021, is a fair reflection of the share value at 31 March 2021. There have been no additions or disposals of shares during the year.

Yours sincerely

Gloria J Clark

Gloria Clark – Chair of Trustees
For and on behalf of the trustees of Clark Foundation

Trusts

associated with

C. & J. Clark Ltd

Connected Organisation	Name	Nature of Connection
WSC 1908 Trust	Richard Clark Martin Lovell Judith Derbyshire Gloria Clark Peter Drew	Trustee
R & SBC	Martin Lovell	Trustee
CJC Employees 1922 Trust	Richard Clark Martin Lovell Judith Derbyshire Gloria Clark Peter Drew	Trustee
Trustees of Crispin Hall	Richard Clark Martin Lovell	Trustee

Clark Foundation
Report and Audited Financial
Statements
31 March 2021

Clark Foundation

Reference and administrative details

For the year ended 31 March 2021

Status	The organisation is a charitable incorporated organisation, registered on 22 August 2018.	
Charity number	1179639	
Registered office	40 High Street Street Somerset BA16 0EQ	
Trustees	Gloria J Clark Richard Clark Judith E Derbyshire Peter Drew appointed 1 July 2020 Martin Lovell	
Grants committee (in addition to trustees)	Gloria J Clark Richard Clark Judith E Derbyshire Peter Drew Julian Hargood Martin Lovell Paul Wakefield	
Key management personnel	Susie Mercer	Trust Manager
Principal bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD	
Investment advisers	Legal and General Investments PO Box 6080 Wolverhampton WV1 9RB	

Clark Foundation

Reference and administrative details

For the year ended 31 March 2021

Solicitors	Lancaster Parr Peartree House Wanstrow Somerset BA4 4TF	Chubb Bulleid 10 Leigh Road Street Somerset BA16 0HA
Chartered surveyors	Cooper and Tanner LLP The Agricultural Centre Standerwick Frome Somerset BA11 2QB	

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

The trustees present their annual report and the financial statements for the year ended 31 March 2021. The financial statements comply with the Constitution and Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2019).

Structure, management and governance

Objectives

The Clark Foundation was originally established under a trust deed in 1959, to assist persons afflicted by old age, ill health, accident or infirmity and in the provision of facilities for education, recreation, leisure and social welfare. The persons to benefit must be in need of assistance and preference may be given to employees of C&J Clark Limited and its subsidiaries, ex-employees and their families. The Clark Foundation converted to a CIO (no. 1179639) in 2019 and is governed by a constitution dated 22 August 2018.

Trustees

Trustees who served during the year were as follows:

- Gloria J Clark
- Richard Clark
- Judith E Derbyshire
- Peter Drew
- Martin Lovell

The trustees are self-appointing. C&J Clark Limited has the right to appoint and remove one trustee should it so wish.

Newly appointed trustees are briefed on the objectives of the trust and details contained in the constitution. Trustees keep themselves up to date with current legislation through the use of information from the Charities Commission and that provided by their solicitors, auditors and accountants.

Trustees take advice from investment manager, auditors and solicitor as required. Trustees' remuneration and expenses are detailed in note 6 to the accounts.

The trustees have the power to appoint the Grants Committee and may ask C&J Clark to recommend employees to be put forward for appointment to the Grants Committee. The trustees review the recommendations and make the appointments to the Grants Committee.

Members of the Grants Committee who served during the past year were:

- Gloria J Clark
- Richard Clark
- Judith E Derbyshire
- Peter Drew
- Julian Hargood
- Martin Lovell
- Paul Wakefield

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

Organisational structure

Day to day management of the Clark Foundation is delivered by the Trust Manager, on behalf of the trustees. In October 2020, Lesley Hide retired following ten very successful years in the role, and was replaced by Susie Mercer.

Trustees have delegated the grant making process of the Foundation to the Grants Committee. The Grants Committee meets on a quarterly basis and makes decisions in accordance with a budget set by trustees within a three year plan. The Trust Manager provides the members of the Committee with applications submitted by third parties, supported by recommendations made by the Trust Manager in advance of each meeting.

Trustees Risk Register

The risk assessment undertaken in March 2019 was reviewed and updated in 2021. Trustees consider that adequate controls are in place to remove, minimise or mitigate risks to the Foundation.

Objectives and activities

Objectives and strategy

The Foundation seeks to satisfy the objectives as stated in the constitution referred to above.

During the year ending 31 March 2021, the principal aim of the Foundation was to continue to receive, review and approve quality grant applications in line with the objectives of the charity. The objectives of the charity, as stated in the constitution, have been interpreted by trustees, so as to generally make grants to organisations which are close to significant numbers of C&J Clark Limited employees or ex-employees. This includes organisations overseas which are near to where there are employees in companies manufacturing shoes for C&J Clark Limited.

Trustees agree a three year plan which sets out the levels of grants based on projected investment return. This plan includes a budget that the Grants Committee works to when awarding grants. Some grants are dependent on beneficiaries meeting certain conditions. This means that some grants may not be paid in the financial year in which they are awarded and a small number of grants may be withdrawn altogether.

Grant making policy

Grants are made on the following general bases:

- to objects which are charitable;
- to organisations which are located in areas where there are significant numbers of employees or ex-employees of C&J Clark Limited and its subsidiaries;
- preferably for one-off capital projects or for organisation start-up costs; and
- local elements only of national appeals and not general national appeals.

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

The Clark Foundation advertises grant availability to C&J Clark Limited employees through the C&J Clark Limited internal communications network. This includes contributions to 'Our Shop' - a weekly digital newsletter sent to all retail stores – and other social media channels operated by the company. It also places articles in Pensioners bulletins. The Trust Manager liaises with local organisations who advise groups on grant availability. Periodically, the Trust Manager contacts organisations and councils who could benefit from a grant in areas where grants are awarded. The Trust Manager liaises with Somerset Community Foundation and Cumbria Community Foundation to ensure they are aware of support that the Clark Foundation can give.

The Trust Manager reviews the grant applications received and sifts out the applications that do not satisfy the geographical criteria and the charitable objects of the Foundation. The remaining accepted applications are split on a monetary basis. Accepted applications that are £1,000 or less are approved and paid by the Trust Manager and reported to the Grants Committee. Applications for grants over £1,000 are considered at the quarterly Grants Committee meeting. At this meeting, an application is either approved for payment or a grant is offered subject to certain conditions being met, or it is refused. Grants awarded are monitored against the annual budget.

Public benefit

Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Clark Foundation provides public benefit through the provision of grants to a wide range of organisations with charitable status both in the UK and overseas. Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to guidance published by the Charities Commission.

Achievements and performance

During the year the Grants Committee paid 48 grants totalling £235,441 to a wide variety of community organisations including schools, hospitals, hospices, village halls, churches, heritage projects and arts centres. Five of these were awarded in the previous financial year and have a cumulative value of £75,513. These grants support other fund-raising efforts by the organisations applying for the grants.

Financial review

The results for the year are shown on page 13.

The main objectives of the Foundation have been met through the year, by the Grants Committee awarding 52 grants totalling £271,227. This includes 9 grants that have not been paid within the year as at 31 March 2021, totalling £111,300. £6,750 remains from grants charged in previous periods, totalling £118,050 included in creditors. One grant of £20,000 awarded in the year ended 31 March 2020 was recovered as the project did not proceed. This was repaid on 18 June 2021 and is included in debtors at 31 March 2021. Other grants lapsed during the year, totalling £10,287.

The resources expended within the Statement of Financial Activities amounts to £282,116. The principal funding sources of the Foundations are listed investment income of £174,341. The unlisted investments – namely the shares in C&J Clark Limited – have returned no income.

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

In 2019 the Foundation moved to setting its grant availability based on a 'total return' model. In May 2021 Trustees undertook an assessment of the impact this has had on the value of its assets. This assessment was restricted to those assets managed by Legal & General. The review concluded that operating a 'total return' policy had in the short-term met the trustees' objectives and that Trustees could, for the time being, continue the total return policy subject to an annual assessment of the impact.

Investments

Information relating to changes in investments is given in Note 10 to the accounts.

Investment policy

There are no restrictions in the constitution placed on investment policy. Trustees make investments in accordance with Charity Law.

Investment performance

The Foundation holds two kinds of investments: shares in C&J Clark Limited and an investment portfolio, managed by Legal & General.

C&J Clark Limited shares

The 2019-20 accounts used the latest available valuation for C & J Clark shares, namely £2.85 per share, as valued on 20 September 2019. C & J Clark historically provide a market valuation in May of each year. As these are privately held shares, it is this valuation that is used in the Clark Foundation accounts. C & J Clark did not have the valuation undertaken in May 2020 due to the global COVID-19 pandemic. It was a number of months before it became clear that C & J Clark would not provide a valuation during 2020. The Clark Foundation trustees did not feel it a good use of charity funds to undertake a retrospective, costly external professional valuation which they believed would be no more accurate than the valuation undertaken in September 2019. The Clark Foundation's auditors Godfrey Wilson were not satisfied that the September 2019 valuation of the C & J Clark shares was a fair reflection of their value as at 31 March 2020. However, in the circumstances, trustees believed they acted in a responsible and reasonable manner in using the latest available valuation.

In December 2020, a 51% stake in C&J Clark Limited was sold to LionRock Capital. A valuation by BDO was undertaken in July 2021. This valued the shares at 46p. It is this valuation that has been used to value the shares for the year ended 31 March 2021.

Legal & General managed investment portfolio

This portfolio returned investment income of £174,341 during the year and was valued at £10,935,402 at year end. Dividends are held/accumulated within the fund and give rise to additional growth.

The investments are held in a single multi-asset fund. The turbulence and loss in value as a result of the Covid 19 pandemic was not sustained. March 2020 marked a low point and since then the asset value has increased substantially.

Reserves policy

All of the charity's reserves are unrestricted. In general, it holds an amount of between £100,000 and £200,000 in its cash account. Reserves held in the Legal & General Multi Asset Fund can, in normal trading conditions, be sold quickly and converted to cash as needed to pay grants.

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

Impact of Covid 19 on the charity's activities

The continuing pandemic has significantly affected the ability of community organisations to progress the kind of capital projects that the Foundation typically supports. One offer of a grant to a project that is not proceeding has been withdrawn and one grant already paid for a project that is not proceeding has been recovered. Grant applications in the new financial year are at an encouraging level.

The anticipated reduction in investment value has not materialised, enabling a grant giving budget higher than last year to be set.

As the Clark Foundation is a grant making charity with relatively low running costs we are able to flex our expenditure in line with our income. Trustees therefore consider that the charity is a going concern for a period of at least 12 months from the date on which these financial statements are approved.

Plans for the future

The trustees agree a three year plan on a rolling basis and aim to spend investment return generated by the Clark Foundation investments, less the costs associated with running the charity. Any underspend from previous years is carried forward. The planned grants budget for 2021/22 is £420,000. Trustees will continue to actively publicise grant availability to encourage grant applications.

Fundraising policy

The Clark Foundation does not engage in any direct fundraising from members of the public and does not employ fundraisers. The trustees are, however, aware of the code of fundraising practice and will ensure that the charity will comply with the code should it undertake any fundraising activities.

Disclosure of information to auditors

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each trustee has taken all the steps that he/she ought to have taken as a trustee to make himself/herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with 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).

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 20 January 2022 and signed on their behalf by:

Gloria J Clark

Gloria Clark - Chair

Independent auditors' report

To the trustees of

Clark Foundation

Opinion

We have audited the financial statements of Clark Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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, except for the effects of the matter described in the "basis for qualified opinion" section of our report, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 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 Charities Act 2011.

Basis for qualified opinion

The charity's investments in the unlisted shares of C and J Clark were carried at a value of £2,922,424 on the balance sheet at 31 March 2020. This valuation was determined at 20 September 2019. The trustees did not determine a valuation for the investments as at 31 March 2020 as required under FRS102, and did not facilitate a further valuation to support this carrying value at the year end date. Consequently, we were unable to determine whether any adjustment to this amount was necessary to support the valuation at 31 March 2020. We have obtained sufficient, appropriate audit evidence to support the valuation at 31 March 2021.

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 charity 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 qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report

To the trustees of

Clark 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.

As described in the "basis for qualified opinion" section of our report, we were unable to satisfy ourselves concerning the valuation of unlisted investments of £2,922,424 held at 31 March 2020. We have concluded that where the other information refers to the prior year unlisted investments balance or related balances such as unrealised gains or losses, it maybe materially misstated for the same reason.

Matters on which we are required to report by exception

Except for the matter described in the "basis for qualified opinion" section of our report, in the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

Arising solely from the disagreement in accounting treatment on our work related to unlisted investments in the prior period, we have not obtained all the information and explanations that we considered necessary for the purposes of our audit; and we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matter in relation to which the Charities Act 2011 requires us to report to you if, in our opinion, the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the trustees of

Clark Foundation

Our responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Independent auditors' report

To the trustees of

Clark Foundation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 26 January 2022

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Clark Foundation

Statement of financial activities

For the year ended 31 March 2021

	Note	2021 Total £	2020 Total £
Income from:			
Investments	2	175,708	242,535
Donation - transfer from Clark Foundation		-	11,623,189
Other	3	<u>20,411</u>	<u>20,949</u>
Total income		<u>196,119</u>	<u>11,886,673</u>
Expenditure on:			
Charitable activities		<u>282,116</u>	<u>296,227</u>
Total expenditure	4	<u>282,116</u>	<u>296,227</u>
Net income / (expenditure) before gains / (losses) and exceptional items		(85,997)	11,590,446
Exceptional item - withdrawal of major grant	5	-	400,000
Losses on investments - realised		18,604	21,146
Losses on investments - unrealised		<u>373,916</u>	<u>(724,788)</u>
Net movement in funds	6	306,523	11,286,804
Reconciliation of funds			
Total funds brought forward		<u>11,286,804</u>	<u>-</u>
Total funds carried forward		<u>11,593,327</u>	<u>11,286,804</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure are unrestricted in both years.

Clark Foundation

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Fixed assets				
Tangible fixed assets	9		99,804	99,414
Investments	10		11,407,091	11,060,454
			11,506,895	11,159,868
Current assets				
Debtors	11	99,931		122,345
Cash at bank and in hand		110,542		102,632
		210,473		224,977
Creditors: amounts falling due within 1 year	12	(124,041)		(88,041)
Net current assets			86,432	136,936
Total assets less current liabilities			11,593,327	11,296,804
Creditors: amounts falling due after 1 year	13		-	(10,000)
Net assets			11,593,327	11,286,804
Funds	14			
Unrestricted general funds			11,593,327	11,286,804
Total funds			11,593,327	11,286,804

Approved by the trustees on 20 January 2022 and signed on their behalf by:

Gloria J Clark

Gloria Clark - Chair

Clark Foundation

Statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash provided by / (used in) operating activities:		
Net movement in funds	306,523	11,286,804
Adjustments for:		
Transfer of funds from Clark Foundation	-	(11,857,577)
Depreciation	69	-
(Gains) / losses on investments	(392,520)	703,642
Dividends, interest and rent from investments	(175,708)	(242,535)
Decrease / (increase) in debtors	22,414	(122,345)
Increase / (decrease) in creditors	26,000	98,041
Net cash provided by / (used in) operating activities	(213,222)	(133,970)
Cash flows from investing activities:		
Dividends, interest and rent from investments	175,708	242,535
Proceeds from the sale of investments	250,000	200,000
Purchase of investments	(204,117)	(205,933)
Purchase of tangible fixed assets	(459)	-
Net cash provided by investing activities	221,132	236,602
Increase in cash and cash equivalents in the year	7,910	102,632
Cash and cash equivalents at the beginning of the year	102,632	-
Cash and cash equivalents at the end of the year	110,542	102,632

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Clark 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 notes.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. The trustees have considered the impact of this issue on the charity's current and future financial position. The charity holds substantial unrestricted net assets of £11,593,327 and the trustees therefore consider that the charity is a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

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

d) Investment income

Interest on funds held on deposit, dividends and other investment income are included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the amounts paid or payable by the bank or investment managers.

e) Funds accounting

The charity holds unrestricted general funds only.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes attributable VAT which cannot be recovered.

Expenditure on raising funds are those costs incurred in managing the investments to raise investment income.

Charitable activities include expenditure associated with grant making and include both the direct costs and support costs related to these activities.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

g) Allocation of support and governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include overheads and have been allocated to activity cost categories on a basis consistent with the use of resources by allocating on the basis of time spent and other costs by their usage.

Support and governance costs have been allocated in full to charitable activities on the basis that the majority of staff time is spent managing grant making activities.

h) Grants payable

Grants authorised by the management committee are included in the Statement of Financial Activities. Grants which have been authorised by the management committee but not yet paid, are accrued in the balance sheet and included within creditors falling due within one year or after one year (as appropriate).

i) Fixed assets

Six plots of land are included in the balance sheet at a nominal value of £1 each, as long leases have been granted on the land and buildings at a peppercorn rent. The trustees do not believe that it is appropriate to include these assets at cost. One plot of land has been included at deemed cost as it is rented out as part of the charity's activities.

The land held has not been depreciated.

Computer equipment has been depreciated on a 5 year straight line basis.

j) Listed and unlisted investments

Investments listed or traded on a recognised stock exchange are stated at fair value at the reporting date, which is deemed to be their market value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

Unlisted investments have been revalued to reflect valuations carried out by BDO at a date closest to the balance sheet date, which is deemed to be their fair value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

m) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The charity only has financial assets and financial 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.

o) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

The charity previously participated in a defined benefit pension scheme. The scheme was a multi-employer pension scheme. During the prior period, the remaining pension liability was paid off and the scheme was closed. The charity is no longer making contributions into the scheme, and all outstanding debt has been paid off.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Valuation of unlisted investments

The charity holds unlisted investments in the shares of C&J Clark Limited, a private limited company. Valuations are currently carried out by the company on an annual basis under a process set out in the company's Articles. As at 31 July 2021, the shares were valued at £0.46 per share. As no previous valuations have been carried out since September 2019 due to the Covid-19 pandemic, the July 2021 price has been used to value the shareholding at 31 March 2021.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

2. Investment income

	2021 £	2020 £
Investments listed on a recognised stock exchange	174,341	210,415
Other unlisted securities	-	30,763
Rental and other income	<u>1,367</u>	<u>1,357</u>
	<u>175,708</u>	<u>242,535</u>

3. Other income

	2021 £	2020 £
Salary recoveries	20,411	20,940
Other income	<u>-</u>	<u>9</u>
	<u>20,411</u>	<u>20,949</u>

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

4. Total expenditure

	Charitable activities £	Support and governance costs £	2021 Total £
Grants payable to institutions (note 5)	240,941	-	240,941
Staff costs (note 7)	29,822	-	29,822
Payroll costs	258	-	258
Miscellaneous expenses	1,156	250	1,406
Insurance	-	2,089	2,089
Coxmead expenses	214	-	214
Legal and professional fees	-	77	77
Auditors' remuneration	-	6,210	6,210
Recruitment fees	-	1,030	1,030
Depreciation	-	69	69
Subtotal	272,391	9,725	282,116
Reallocation of support and governance costs	<u>9,725</u>	<u>(9,725)</u>	<u>-</u>
Total	<u>282,116</u>	<u>-</u>	<u>282,116</u>

Total governance costs in the year were £6,287.

Prior period comparative

	Charitable activities £	Support and governance costs £	2020 Total £
Grants payable to institutions (note 5)	252,013	-	252,013
Staff costs (note 7)	35,709	-	35,709
Payroll costs	118	-	118
Miscellaneous expenses	42	-	42
Insurance	-	2,050	2,050
Coxmead expenses	285	-	285
Legal and professional fees	-	1,360	1,360
Auditors' remuneration	-	4,650	4,650
Subtotal	288,167	8,060	296,227
Reallocation of support and governance costs	<u>8,060</u>	<u>(8,060)</u>	<u>-</u>
Total	<u>296,227</u>	<u>-</u>	<u>296,227</u>

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

5. Grants payable

Grants payable to institutions:

	2021 £	2020 £
Creditor balance on transfer of assets from Clark Foundation (unincorporated charity)	-	(477,838)
Creditor brought forward	(92,550)	-
Total of 48 grants paid during the year (2020: 103)	235,441	237,301
Major grant written back as exceptional item	-	400,000
Creditor carried forward	118,050	92,550
Debtor carried forward (returnable grant)	(20,000)	-
	<u>240,941</u>	<u>252,013</u>

A detailed list of grants payable to institutions can be found in note 17.

6. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	69	Nil
Trustees' reimbursed expenses	Nil	Nil
Trustees' remuneration	Nil	Nil
Auditor's remuneration (inc. VAT)		
▪ Audit services	4,770	4,650
▪ Under accrual in respect of prior year	1,440	-
	<u>4,770</u>	<u>4,650</u>

No remuneration or expenses were paid to the trustees for their services as trustees in either year.

7. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	28,166	29,223
Pension costs	1,656	6,486
	<u>29,822</u>	<u>35,709</u>

No employee earned more than £60,000 during the year.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

7. Staff costs and numbers (continued)

The key management personnel of the charity comprise the trustees and the Trust manager. The total employee benefits paid to the key management personnel during the year were £16,464 (2020: £17,942). Employees receive a discount at C&J Clark of 33.33% for up to 20 pairs of shoes per year. As this is a percentage discount the amount relating to this is difficult to quantify and is not disclosed within total employee benefits.

	2021 No.	2020 No.
Average head count	<u>2.0</u>	<u>2.0</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Tangible fixed assets

	Computer equipment £	Freehold land and property £	Total £
Cost			
At 1 April 2020	-	99,414	99,414
Additions in year	<u>459</u>	<u>-</u>	<u>459</u>
At 31 March 2021	<u>459</u>	<u>99,414</u>	<u>99,873</u>
Depreciation			
At 1 April 2020	-	-	-
Charge for the year	<u>69</u>	<u>-</u>	<u>69</u>
At 31 March 2021	<u>69</u>	<u>-</u>	<u>69</u>
Net book value			
At 31 March 2021	<u>390</u>	<u>99,414</u>	<u>99,804</u>
At 31 March 2020	<u>-</u>	<u>99,414</u>	<u>99,414</u>

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

10. Investments

	2021 £	2020 £
Market value as at 1 April 2020	11,060,454	-
Transfer of assets from Clark Foundation (unincorporated charity)	-	11,758,163
Additions at cost	204,117	205,933
Disposal proceeds	(250,000)	(200,000)
Realised gain	18,604	21,146
Unrealised gains / (losses)	373,916	(724,788)
	<u>11,407,091</u>	<u>11,060,454</u>
Market value as at 31 March 2021		

Investments comprise:

	2021 £	2020 £
Market value		
C&J Clark Limited ordinary shares	471,689	2,922,424
Investments via Legal and General	10,935,402	8,138,030
	<u>11,407,091</u>	<u>11,060,454</u>

	2021 £	2020 £
Historical cost		
C&J Clark Limited ordinary shares	485,168	485,168
Investments via Legal and General	8,748,805	8,776,084
	<u>9,233,973</u>	<u>9,261,252</u>

The unlisted investments in C&J Clark Limited are revalued based on annual valuations of the shares by BDO, Chartered Accountants. The valuation incorporated in the accounts relates to the valuation as of 31 July 2021, the valuation closest to the balance sheet date.

At 31 July 2021, the value of unlisted investments was £471,689 at £0.46 per share (2020: £2.85 per share.)

Listed investments held by Legal and General are shown at the market value at the balance sheet date.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

11. Debtors

	2021 £	2020 £
Accrued income	62,504	92,281
Prepayments	349	343
Other debtors	37,078	29,721
	<u>99,931</u>	<u>122,345</u>

12. Creditors: amounts due within 1 year

	2021 £	2020 £
Accruals	5,991	5,491
Grants payable	118,050	82,550
	<u>124,041</u>	<u>88,041</u>

13. Creditors: amounts due after 1 year

	2021 £	2020 £
Grants payable	-	10,000

14. Movements in funds

	2021 £	2020 £
At 1 April 2020	11,286,804	-
Net income / (expenditure)	(85,997)	11,590,446
Exceptional item - withdrawal of major grant	-	400,000
Realised and unrealised gains / (losses) on investments	392,520	(703,642)
At 31 March 2021	<u>11,593,327</u>	<u>11,286,804</u>

15. Financial instruments at fair value

	2021 £	2020 £
Financial assets measured at fair value	<u>11,407,091</u>	<u>11,060,454</u>

Financial assets measured at fair value comprise listed and unlisted investments.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

16. Related party transactions

Organisation	Connection to Clark Foundation	Receivable / (payable) during the year £	Outstanding at year end £
WSC 1908 Trust	Gloria Clark, Richard Clark, Judith Derbyshire, Peter Drew and Martin Lovell (trustees) are trustees.	12,374	12,374
C&J Clark Limited Employees 1922 Trust	Gloria Clark, Richard Clark, Judith Derbyshire, Peter Drew and Martin Lovell (trustees) are trustees.	2,434	2,434
Trustees of Crispin Hall	Richard Clark and Martin Lovell (trustees) and John Clark and William Clark (sons of trustee) are trustees.	(4,800)	-
Roger and Sarah Bancroft Clark Charitable Trust	Martin Lovell (trustee) is a trustee.	6,586	2,360

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions

	2021 £	2020 £
Arts:		
Glastonbury Tribunal - One Enchanted Evening	900	-
Hestercombe Garden Trust	500	-
Llanelli Community Wind Band	100	-
Minehead Museum	500	-
Radstock Museum	3,000	-
Wassail Theatre Company	1,000	-
Weston Zoyland Engine Trust	2,000	-
Aerospace Bristol	-	2,000
Cumbria Opera Group	-	500
Curzon Clevedon Community Centre for the Arts	-	5,000
Live Music Now South West	-	500
Llanelli Community Wind Band	-	100
Minehead Literary Festival	-	200
Wells in Mosaic	-	500
	8,000	8,800
Countryside:		
Somerset Wildlife Trust	13,000	-
West Somerset Railway Association	5,000	-
Carymoor Environmental Trust	-	3,000
Farming & Wildlife Advisory Group South West Ltd	-	500
Honeymead Garden Society	-	500
Magdalen Environmental Trust	-	250
Natural England - Avalon Marshes	-	5,000
Somerset Archaeological and Natural History Society (SAHNS)	-	3,000
	18,000	12,250

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021 £	2020 £
Education:		
Polden Bower School	5,000	-
Wookey Primary School PTA	792	-
Crosthwaite CofE Primary School	-	1,784
Darshill and Bowlsh Conservation Society	-	1,000
Elmhurst Junior School	-	350
Friends of Brookside	-	5,000
Grange CofE Primary School	-	800
Kendal Primary Multi Academy Trust T/A Castle Park School	-	750
Kirkbie Kendal School	-	400
Mearns Primary PTA	-	200
Somerset County Council	-	5,000
South Parks Primary School Fund	-	100
St Margaret's CEVA School	-	3,000
Whitstone School Academy Trust	-	10,000
	5,792	28,384
Housing:		
Paisley Citadel Salvation Army	-	500
Medicine:		
Asthma Relief	500	-
Caudwell Children	900	-
Clowns in the Sky	400	400
Disabled Workers Co-operative	300	-
Great Western Air Ambulance	3,550	-
Health Connections Mendip	20,573	-
St. John's Hospice, North Lancs	5,594	-
Yeovil Hospital Charity	60,000	-
Above and Beyond	(20,000)	20,000
Children's Hospice South West	(10,000)	10,000
Access Wales	-	125
Dorothy House Hospice Care	-	3,000
Fight Against Blindness	-	200
Headway Somerset	-	750
Help the Child	-	750
Motor Neurone Disease Association	-	1,000
North Devon Hospice	-	2,000
Penny Brohn UK	-	2,000
St Lukes Hospice, Plymouth	-	5,000
St Margaret's Somerset Hospice	-	5,000
The Grand Appeal Bristol	-	5,000
	61,817	55,225

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021 £	2020 £
Overseas:		
Clarks International - Farida, India	-	900
Religion:		
All Saints Church, Halcon	250	-
All Saints, Nynehead	500	-
St Andrews Church, Whitestaunton	1,000	-
St Edwards Church, Chilton Polden	1,000	-
St Michael & All Angels, Bawdrip	(312)	1,000
St Peter & St Paul, Bleadon	25	4,800
St Peters, Williton	500	-
St. Mary's Church, The Charltons	2,000	-
St. Philip & St. James Odd Down	5,000	-
Castle Cary Methodist Church	-	2,500
Elim Connect	-	4,000
Goathurst PCC St Edward's Church	-	500
Parochial Church Council of Bawdrip	-	1,000
St Mary's Parochial Church Council	-	3,000
Viridor Waste Management - All Saint's Church Castle Cary	-	10,000
	9,963	26,800
Welfare:		
7 Starlings, Shepton Mallet Library	5,000	-
Bowls Club, Barnstaple	10,000	-
Burnbridge Wanderers	600	-
Chilton Polden Playing Fields	10,000	-
Crispin Hall	4,800	1,000
Cumbria Community Foundation	5,000	-
Ellens Almshouses, Burnham	6,500	-
Locks Heath Lions Football Club	150	-
Mudford Village Hall	1,000	-
Sandgate Hydrotherapy Pool	2,000	-
Selwood Tennis Club	8,000	-
Shapwick & Polden Cricket Club	1,300	-
Somerset Community Foundation	30,000	-
South Petherton Tennis Club	5,000	-
Watchet Bowls Club	10,000	-
Wells City Football Club	1,000	500
ARK at Egwood	-	500
Bargeddie Colts	-	200
Bridgwater and Albion Rugby Club	-	3,000
Butleigh Playing Fields Association	-	750
Castle Street Centre Kendal	-	2,000
Sub-total carried to the next page	100,350	7,950

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021 £	2020 £
Welfare (continued):		
Brought forward from previous page	100,350	7,950
Didsbury Cricket Club	-	200
Draycott Community Shop	-	2,000
Drayton Village Hall	-	1,000
Exeter Community Transport Association	-	500
FareShare South West	-	500
FC Lantokay	-	500
Glastonbury Town Council	-	500
Griffin Association	-	1,000
Hambridge and Westport Recreation Trust	-	500
Harwich and Parkeston Football Club	-	500
Hornet Rebels	-	500
Kendal County Football Club	-	750
Lydford-on-Fosse Parish Council	-	200
Mendip Rangers FC	-	500
Merriman Park Street	-	50,000
Middlezoy Rovers Football Club	-	5,000
Minehead Town Council	-	5,000
Moorlinch Church Hall	-	1,000
North Shields Juniors Reds U8s	-	250
North Somerset Citizens Advice	-	15,000
Parkrun Limited	-	200
Peterborough Thorpe Wood Rangers FC 'Under 13's'	-	500
Reading YMCA Under 15 Boys	-	200
Rodney Stoke Parish Council	-	1,000
Shawcross Club for Young People	-	300
Somerset Multicultural Association	-	100
South Somerset District Council	-	5,000
SSCAT	-	1,000
St Johns Centre Glastonbury	-	8,000
Street & District Swimming Club	-	1,670
Street Striders	-	400
The Woodworks Project	-	500
Twinstead & Braintree RDA Group	-	150
Ugborough Football Club	-	100
Ulverston Inshore Rescue	-	750
Victoria Lawn Tennis Club	-	2,000
Wedmore Cricket Club	-	750
West Pennard Village Hall	-	3,000
Windermere Rowing Club	-	750
Wookey Hall Refurbishment	-	2,000
Wyrral Park Bowls Club	-	(3,000)
Yeovil Netball Club	-	200
	100,350	118,920

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021	2020
	£	£
Youth / Children:		
1st Kendal Scouts	4,000	-
1st Watchet Sea Scouts	750	-
Bridgwater Sea Cadets	10,000	-
Childrens' World	1,000	2,000
Glastonbury & St. Sea Cadets	2,000	-
Hinton St. George PFA	8,000	-
Newbridge Town Football Club	268	-
Project Charltons	10,000	-
Somerton Scout Group	1,000	-
Chernobyl Children's Lifeline Sherborne & Yeovil Link	-	100
Compton Dundon & Littleton Toddler Group	-	750
First Steps Bath	-	500
Lyndon Colts Cubs	-	200
Street Young People Centre	-	(3,516)
Ton & Gelli Boys & Girls Club	-	200
	37,018	234
Total grants payable to institutions	240,941	252,013

Clark Foundation
Report and Audited Financial
Statements
31 March 2021

Clark Foundation

Reference and administrative details

For the year ended 31 March 2021

Status	The organisation is a charitable incorporated organisation, registered on 22 August 2018.	
Charity number	1179639	
Registered office	40 High Street Street Somerset BA16 0EQ	
Trustees	Gloria J Clark Richard Clark Judith E Derbyshire Peter Drew appointed 1 July 2020 Martin Lovell	
Grants committee (in addition to trustees)	Gloria J Clark Richard Clark Judith E Derbyshire Peter Drew Julian Hargood Martin Lovell Paul Wakefield	
Key management personnel	Susie Mercer	Trust Manager
Principal bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD	
Investment advisers	Legal and General Investments PO Box 6080 Wolverhampton WV1 9RB	

Clark Foundation

Reference and administrative details

For the year ended 31 March 2021

Solicitors	Lancaster Parr Peartree House Wanstrow Somerset BA4 4TF	Chubb Bulleid 10 Leigh Road Street Somerset BA16 0HA
Chartered surveyors	Cooper and Tanner LLP The Agricultural Centre Standerwick Frome Somerset BA11 2QB	

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

The trustees present their annual report and the financial statements for the year ended 31 March 2021. The financial statements comply with the Constitution and Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2019).

Structure, management and governance

Objectives

The Clark Foundation was originally established under a trust deed in 1959, to assist persons afflicted by old age, ill health, accident or infirmity and in the provision of facilities for education, recreation, leisure and social welfare. The persons to benefit must be in need of assistance and preference may be given to employees of C&J Clark Limited and its subsidiaries, ex-employees and their families. The Clark Foundation converted to a CIO (no. 1179639) in 2019 and is governed by a constitution dated 22 August 2018.

Trustees

Trustees who served during the year were as follows:

- Gloria J Clark
- Richard Clark
- Judith E Derbyshire
- Peter Drew
- Martin Lovell

The trustees are self-appointing. C&J Clark Limited has the right to appoint and remove one trustee should it so wish.

Newly appointed trustees are briefed on the objectives of the trust and details contained in the constitution. Trustees keep themselves up to date with current legislation through the use of information from the Charities Commission and that provided by their solicitors, auditors and accountants.

Trustees take advice from investment manager, auditors and solicitor as required. Trustees' remuneration and expenses are detailed in note 6 to the accounts.

The trustees have the power to appoint the Grants Committee and may ask C&J Clark to recommend employees to be put forward for appointment to the Grants Committee. The trustees review the recommendations and make the appointments to the Grants Committee.

Members of the Grants Committee who served during the past year were:

- Gloria J Clark
- Richard Clark
- Judith E Derbyshire
- Peter Drew
- Julian Hargood
- Martin Lovell
- Paul Wakefield

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

Organisational structure

Day to day management of the Clark Foundation is delivered by the Trust Manager, on behalf of the trustees. In October 2020, Lesley Hide retired following ten very successful years in the role, and was replaced by Susie Mercer.

Trustees have delegated the grant making process of the Foundation to the Grants Committee. The Grants Committee meets on a quarterly basis and makes decisions in accordance with a budget set by trustees within a three year plan. The Trust Manager provides the members of the Committee with applications submitted by third parties, supported by recommendations made by the Trust Manager in advance of each meeting.

Trustees Risk Register

The risk assessment undertaken in March 2019 was reviewed and updated in 2021. Trustees consider that adequate controls are in place to remove, minimise or mitigate risks to the Foundation.

Objectives and activities

Objectives and strategy

The Foundation seeks to satisfy the objectives as stated in the constitution referred to above.

During the year ending 31 March 2021, the principal aim of the Foundation was to continue to receive, review and approve quality grant applications in line with the objectives of the charity. The objectives of the charity, as stated in the constitution, have been interpreted by trustees, so as to generally make grants to organisations which are close to significant numbers of C&J Clark Limited employees or ex-employees. This includes organisations overseas which are near to where there are employees in companies manufacturing shoes for C&J Clark Limited.

Trustees agree a three year plan which sets out the levels of grants based on projected investment return. This plan includes a budget that the Grants Committee works to when awarding grants. Some grants are dependent on beneficiaries meeting certain conditions. This means that some grants may not be paid in the financial year in which they are awarded and a small number of grants may be withdrawn altogether.

Grant making policy

Grants are made on the following general bases:

- to objects which are charitable;
- to organisations which are located in areas where there are significant numbers of employees or ex-employees of C&J Clark Limited and its subsidiaries;
- preferably for one-off capital projects or for organisation start-up costs; and
- local elements only of national appeals and not general national appeals.

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

The Clark Foundation advertises grant availability to C&J Clark Limited employees through the C&J Clark Limited internal communications network. This includes contributions to 'Our Shop' - a weekly digital newsletter sent to all retail stores – and other social media channels operated by the company. It also places articles in Pensioners bulletins. The Trust Manager liaises with local organisations who advise groups on grant availability. Periodically, the Trust Manager contacts organisations and councils who could benefit from a grant in areas where grants are awarded. The Trust Manager liaises with Somerset Community Foundation and Cumbria Community Foundation to ensure they are aware of support that the Clark Foundation can give.

The Trust Manager reviews the grant applications received and sifts out the applications that do not satisfy the geographical criteria and the charitable objects of the Foundation. The remaining accepted applications are split on a monetary basis. Accepted applications that are £1,000 or less are approved and paid by the Trust Manager and reported to the Grants Committee. Applications for grants over £1,000 are considered at the quarterly Grants Committee meeting. At this meeting, an application is either approved for payment or a grant is offered subject to certain conditions being met, or it is refused. Grants awarded are monitored against the annual budget.

Public benefit

Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

The Clark Foundation provides public benefit through the provision of grants to a wide range of organisations with charitable status both in the UK and overseas. Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to guidance published by the Charities Commission.

Achievements and performance

During the year the Grants Committee paid 48 grants totalling £235,441 to a wide variety of community organisations including schools, hospitals, hospices, village halls, churches, heritage projects and arts centres. Five of these were awarded in the previous financial year and have a cumulative value of £75,513. These grants support other fund-raising efforts by the organisations applying for the grants.

Financial review

The results for the year are shown on page 13.

The main objectives of the Foundation have been met through the year, by the Grants Committee awarding 52 grants totalling £271,227. This includes 9 grants that have not been paid within the year as at 31 March 2021, totalling £111,300. £6,750 remains from grants charged in previous periods, totalling £118,050 included in creditors. One grant of £20,000 awarded in the year ended 31 March 2020 was recovered as the project did not proceed. This was repaid on 18 June 2021 and is included in debtors at 31 March 2021. Other grants lapsed during the year, totalling £10,287.

The resources expended within the Statement of Financial Activities amounts to £282,116. The principal funding sources of the Foundations are listed investment income of £174,341. The unlisted investments – namely the shares in C&J Clark Limited – have returned no income.

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

In 2019 the Foundation moved to setting its grant availability based on a 'total return' model. In May 2021 Trustees undertook an assessment of the impact this has had on the value of its assets. This assessment was restricted to those assets managed by Legal & General. The review concluded that operating a 'total return' policy had in the short-term met the trustees' objectives and that Trustees could, for the time being, continue the total return policy subject to an annual assessment of the impact.

Investments

Information relating to changes in investments is given in Note 10 to the accounts.

Investment policy

There are no restrictions in the constitution placed on investment policy. Trustees make investments in accordance with Charity Law.

Investment performance

The Foundation holds two kinds of investments: shares in C&J Clark Limited and an investment portfolio, managed by Legal & General.

C&J Clark Limited shares

The 2019-20 accounts used the latest available valuation for C & J Clark shares, namely £2.85 per share, as valued on 20 September 2019. C & J Clark historically provide a market valuation in May of each year. As these are privately held shares, it is this valuation that is used in the Clark Foundation accounts. C & J Clark did not have the valuation undertaken in May 2020 due to the global COVID-19 pandemic. It was a number of months before it became clear that C & J Clark would not provide a valuation during 2020. The Clark Foundation trustees did not feel it a good use of charity funds to undertake a retrospective, costly external professional valuation which they believed would be no more accurate than the valuation undertaken in September 2019. The Clark Foundation's auditors Godfrey Wilson were not satisfied that the September 2019 valuation of the C & J Clark shares was a fair reflection of their value as at 31 March 2020. However, in the circumstances, trustees believed they acted in a responsible and reasonable manner in using the latest available valuation.

In December 2020, a 51% stake in C&J Clark Limited was sold to LionRock Capital. A valuation by BDO was undertaken in July 2021. This valued the shares at 46p. It is this valuation that has been used to value the shares for the year ended 31 March 2021.

Legal & General managed investment portfolio

This portfolio returned investment income of £174,341 during the year and was valued at £10,935,402 at year end. Dividends are held/accumulated within the fund and give rise to additional growth.

The investments are held in a single multi-asset fund. The turbulence and loss in value as a result of the Covid 19 pandemic was not sustained. March 2020 marked a low point and since then the asset value has increased substantially.

Reserves policy

All of the charity's reserves are unrestricted. In general, it holds an amount of between £100,000 and £200,000 in its cash account. Reserves held in the Legal & General Multi Asset Fund can, in normal trading conditions, be sold quickly and converted to cash as needed to pay grants.

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

Impact of Covid 19 on the charity's activities

The continuing pandemic has significantly affected the ability of community organisations to progress the kind of capital projects that the Foundation typically supports. One offer of a grant to a project that is not proceeding has been withdrawn and one grant already paid for a project that is not proceeding has been recovered. Grant applications in the new financial year are at an encouraging level.

The anticipated reduction in investment value has not materialised, enabling a grant giving budget higher than last year to be set.

As the Clark Foundation is a grant making charity with relatively low running costs we are able to flex our expenditure in line with our income. Trustees therefore consider that the charity is a going concern for a period of at least 12 months from the date on which these financial statements are approved.

Plans for the future

The trustees agree a three year plan on a rolling basis and aim to spend investment return generated by the Clark Foundation investments, less the costs associated with running the charity. Any underspend from previous years is carried forward. The planned grants budget for 2021/22 is £420,000. Trustees will continue to actively publicise grant availability to encourage grant applications.

Fundraising policy

The Clark Foundation does not engage in any direct fundraising from members of the public and does not employ fundraisers. The trustees are, however, aware of the code of fundraising practice and will ensure that the charity will comply with the code should it undertake any fundraising activities.

Disclosure of information to auditors

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditors are unaware; and each trustee has taken all the steps that he/she ought to have taken as a trustee to make himself/herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with 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).

Clark Foundation

Report of the trustees

For the year ended 31 March 2021

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 20 January 2022 and signed on their behalf by:

Gloria J Clark

Gloria Clark - Chair

Independent auditors' report

To the trustees of

Clark Foundation

Opinion

We have audited the financial statements of Clark Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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, except for the effects of the matter described in the "basis for qualified opinion" section of our report, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 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 Charities Act 2011.

Basis for qualified opinion

The charity's investments in the unlisted shares of C and J Clark were carried at a value of £2,922,424 on the balance sheet at 31 March 2020. This valuation was determined at 20 September 2019. The trustees did not determine a valuation for the investments as at 31 March 2020 as required under FRS102, and did not facilitate a further valuation to support this carrying value at the year end date. Consequently, we were unable to determine whether any adjustment to this amount was necessary to support the valuation at 31 March 2020. We have obtained sufficient, appropriate audit evidence to support the valuation at 31 March 2021.

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 charity 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 qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report

To the trustees of

Clark 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.

As described in the "basis for qualified opinion" section of our report, we were unable to satisfy ourselves concerning the valuation of unlisted investments of £2,922,424 held at 31 March 2020. We have concluded that where the other information refers to the prior year unlisted investments balance or related balances such as unrealised gains or losses, it maybe materially misstated for the same reason.

Matters on which we are required to report by exception

Except for the matter described in the "basis for qualified opinion" section of our report, in the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

Arising solely from the disagreement in accounting treatment on our work related to unlisted investments in the prior period, we have not obtained all the information and explanations that we considered necessary for the purposes of our audit; and we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matter in relation to which the Charities Act 2011 requires us to report to you if, in our opinion, the financial statements are not in agreement with the accounting records and returns.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the trustees of

Clark Foundation

Our responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Independent auditors' report

To the trustees of

Clark Foundation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 26 January 2022

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Clark Foundation

Statement of financial activities

For the year ended 31 March 2021

	Note	2021 Total £	2020 Total £
Income from:			
Investments	2	175,708	242,535
Donation - transfer from Clark Foundation		-	11,623,189
Other	3	<u>20,411</u>	<u>20,949</u>
Total income		<u>196,119</u>	<u>11,886,673</u>
Expenditure on:			
Charitable activities		<u>282,116</u>	<u>296,227</u>
Total expenditure	4	<u>282,116</u>	<u>296,227</u>
Net income / (expenditure) before gains / (losses) and exceptional items		(85,997)	11,590,446
Exceptional item - withdrawal of major grant	5	-	400,000
Losses on investments - realised		18,604	21,146
Losses on investments - unrealised		<u>373,916</u>	<u>(724,788)</u>
Net movement in funds	6	306,523	11,286,804
Reconciliation of funds			
Total funds brought forward		<u>11,286,804</u>	<u>-</u>
Total funds carried forward		<u>11,593,327</u>	<u>11,286,804</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure are unrestricted in both years.

Clark Foundation

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Fixed assets				
Tangible fixed assets	9		99,804	99,414
Investments	10		11,407,091	11,060,454
			11,506,895	11,159,868
Current assets				
Debtors	11	99,931		122,345
Cash at bank and in hand		110,542		102,632
		210,473		224,977
Creditors: amounts falling due within 1 year	12	(124,041)		(88,041)
Net current assets			86,432	136,936
Total assets less current liabilities			11,593,327	11,296,804
Creditors: amounts falling due after 1 year	13		-	(10,000)
Net assets			11,593,327	11,286,804
Funds	14			
Unrestricted general funds			11,593,327	11,286,804
Total funds			11,593,327	11,286,804

Approved by the trustees on 20 January 2022 and signed on their behalf by:

Gloria J Clark

Gloria Clark - Chair

Clark Foundation

Statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash provided by / (used in) operating activities:		
Net movement in funds	306,523	11,286,804
Adjustments for:		
Transfer of funds from Clark Foundation	-	(11,857,577)
Depreciation	69	-
(Gains) / losses on investments	(392,520)	703,642
Dividends, interest and rent from investments	(175,708)	(242,535)
Decrease / (increase) in debtors	22,414	(122,345)
Increase / (decrease) in creditors	26,000	98,041
Net cash provided by / (used in) operating activities	(213,222)	(133,970)
Cash flows from investing activities:		
Dividends, interest and rent from investments	175,708	242,535
Proceeds from the sale of investments	250,000	200,000
Purchase of investments	(204,117)	(205,933)
Purchase of tangible fixed assets	(459)	-
Net cash provided by investing activities	221,132	236,602
Increase in cash and cash equivalents in the year	7,910	102,632
Cash and cash equivalents at the beginning of the year	102,632	-
Cash and cash equivalents at the end of the year	110,542	102,632

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Clark 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 notes.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. The trustees have considered the impact of this issue on the charity's current and future financial position. The charity holds substantial unrestricted net assets of £11,593,327 and the trustees therefore consider that the charity is a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

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

d) Investment income

Interest on funds held on deposit, dividends and other investment income are included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the amounts paid or payable by the bank or investment managers.

e) Funds accounting

The charity holds unrestricted general funds only.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes attributable VAT which cannot be recovered.

Expenditure on raising funds are those costs incurred in managing the investments to raise investment income.

Charitable activities include expenditure associated with grant making and include both the direct costs and support costs related to these activities.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

g) Allocation of support and governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include overheads and have been allocated to activity cost categories on a basis consistent with the use of resources by allocating on the basis of time spent and other costs by their usage.

Support and governance costs have been allocated in full to charitable activities on the basis that the majority of staff time is spent managing grant making activities.

h) Grants payable

Grants authorised by the management committee are included in the Statement of Financial Activities. Grants which have been authorised by the management committee but not yet paid, are accrued in the balance sheet and included within creditors falling due within one year or after one year (as appropriate).

i) Fixed assets

Six plots of land are included in the balance sheet at a nominal value of £1 each, as long leases have been granted on the land and buildings at a peppercorn rent. The trustees do not believe that it is appropriate to include these assets at cost. One plot of land has been included at deemed cost as it is rented out as part of the charity's activities.

The land held has not been depreciated.

Computer equipment has been depreciated on a 5 year straight line basis.

j) Listed and unlisted investments

Investments listed or traded on a recognised stock exchange are stated at fair value at the reporting date, which is deemed to be their market value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

Unlisted investments have been revalued to reflect valuations carried out by BDO at a date closest to the balance sheet date, which is deemed to be their fair value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

m) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

The charity only has financial assets and financial 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.

o) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

The charity previously participated in a defined benefit pension scheme. The scheme was a multi-employer pension scheme. During the prior period, the remaining pension liability was paid off and the scheme was closed. The charity is no longer making contributions into the scheme, and all outstanding debt has been paid off.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Valuation of unlisted investments

The charity holds unlisted investments in the shares of C&J Clark Limited, a private limited company. Valuations are currently carried out by the company on an annual basis under a process set out in the company's Articles. As at 31 July 2021, the shares were valued at £0.46 per share. As no previous valuations have been carried out since September 2019 due to the Covid-19 pandemic, the July 2021 price has been used to value the shareholding at 31 March 2021.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

2. Investment income

	2021	2020
	£	£
Investments listed on a recognised stock exchange	174,341	210,415
Other unlisted securities	-	30,763
Rental and other income	1,367	1,357
	<u>175,708</u>	<u>242,535</u>

3. Other income

	2021	2020
	£	£
Salary recoveries	20,411	20,940
Other income	-	9
	<u>20,411</u>	<u>20,949</u>

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

4. Total expenditure

	Charitable activities £	Support and governance costs £	2021 Total £
Grants payable to institutions (note 5)	240,941	-	240,941
Staff costs (note 7)	29,822	-	29,822
Payroll costs	258	-	258
Miscellaneous expenses	1,156	250	1,406
Insurance	-	2,089	2,089
Coxmead expenses	214	-	214
Legal and professional fees	-	77	77
Auditors' remuneration	-	6,210	6,210
Recruitment fees	-	1,030	1,030
Depreciation	-	69	69
Subtotal	272,391	9,725	282,116
Reallocation of support and governance costs	<u>9,725</u>	<u>(9,725)</u>	<u>-</u>
Total	<u>282,116</u>	<u>-</u>	<u>282,116</u>

Total governance costs in the year were £6,287.

Prior period comparative

	Charitable activities £	Support and governance costs £	2020 Total £
Grants payable to institutions (note 5)	252,013	-	252,013
Staff costs (note 7)	35,709	-	35,709
Payroll costs	118	-	118
Miscellaneous expenses	42	-	42
Insurance	-	2,050	2,050
Coxmead expenses	285	-	285
Legal and professional fees	-	1,360	1,360
Auditors' remuneration	-	4,650	4,650
Subtotal	288,167	8,060	296,227
Reallocation of support and governance costs	<u>8,060</u>	<u>(8,060)</u>	<u>-</u>
Total	<u>296,227</u>	<u>-</u>	<u>296,227</u>

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

5. Grants payable

Grants payable to institutions:

	2021 £	2020 £
Creditor balance on transfer of assets from Clark Foundation (unincorporated charity)	-	(477,838)
Creditor brought forward	(92,550)	-
Total of 48 grants paid during the year (2020: 103)	235,441	237,301
Major grant written back as exceptional item	-	400,000
Creditor carried forward	118,050	92,550
Debtor carried forward (returnable grant)	(20,000)	-
	<u>240,941</u>	<u>252,013</u>

A detailed list of grants payable to institutions can be found in note 17.

6. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Depreciation	69	Nil
Trustees' reimbursed expenses	Nil	Nil
Trustees' remuneration	Nil	Nil
Auditor's remuneration (inc. VAT)		
▪ Audit services	4,770	4,650
▪ Under accrual in respect of prior year	1,440	-
	<u>4,770</u>	<u>4,650</u>

No remuneration or expenses were paid to the trustees for their services as trustees in either year.

7. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	28,166	29,223
Pension costs	1,656	6,486
	<u>29,822</u>	<u>35,709</u>

No employee earned more than £60,000 during the year.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

7. Staff costs and numbers (continued)

The key management personnel of the charity comprise the trustees and the Trust manager. The total employee benefits paid to the key management personnel during the year were £16,464 (2020: £17,942). Employees receive a discount at C&J Clark of 33.33% for up to 20 pairs of shoes per year. As this is a percentage discount the amount relating to this is difficult to quantify and is not disclosed within total employee benefits.

	2021 No.	2020 No.
Average head count	<u>2.0</u>	<u>2.0</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9. Tangible fixed assets

	Computer equipment £	Freehold land and property £	Total £
Cost			
At 1 April 2020	-	99,414	99,414
Additions in year	<u>459</u>	<u>-</u>	<u>459</u>
At 31 March 2021	<u>459</u>	<u>99,414</u>	<u>99,873</u>
Depreciation			
At 1 April 2020	-	-	-
Charge for the year	<u>69</u>	<u>-</u>	<u>69</u>
At 31 March 2021	<u>69</u>	<u>-</u>	<u>69</u>
Net book value			
At 31 March 2021	<u>390</u>	<u>99,414</u>	<u>99,804</u>
At 31 March 2020	<u>-</u>	<u>99,414</u>	<u>99,414</u>

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

10. Investments

	2021 £	2020 £
Market value as at 1 April 2020	11,060,454	-
Transfer of assets from Clark Foundation (unincorporated charity)	-	11,758,163
Additions at cost	204,117	205,933
Disposal proceeds	(250,000)	(200,000)
Realised gain	18,604	21,146
Unrealised gains / (losses)	373,916	(724,788)
	<u>11,407,091</u>	<u>11,060,454</u>
Market value as at 31 March 2021		

Investments comprise:

	2021 £	2020 £
Market value		
C&J Clark Limited ordinary shares	471,689	2,922,424
Investments via Legal and General	10,935,402	8,138,030
	<u>11,407,091</u>	<u>11,060,454</u>

	2021 £	2020 £
Historical cost		
C&J Clark Limited ordinary shares	485,168	485,168
Investments via Legal and General	8,748,805	8,776,084
	<u>9,233,973</u>	<u>9,261,252</u>

The unlisted investments in C&J Clark Limited are revalued based on annual valuations of the shares by BDO, Chartered Accountants. The valuation incorporated in the accounts relates to the valuation as of 31 July 2021, the valuation closest to the balance sheet date.

At 31 July 2021, the value of unlisted investments was £471,689 at £0.46 per share (2020: £2.85 per share.)

Listed investments held by Legal and General are shown at the market value at the balance sheet date.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

11. Debtors

	2021 £	2020 £
Accrued income	62,504	92,281
Prepayments	349	343
Other debtors	<u>37,078</u>	<u>29,721</u>
	<u>99,931</u>	<u>122,345</u>

12. Creditors: amounts due within 1 year

	2021 £	2020 £
Accruals	5,991	5,491
Grants payable	<u>118,050</u>	<u>82,550</u>
	<u>124,041</u>	<u>88,041</u>

13. Creditors: amounts due after 1 year

	2021 £	2020 £
Grants payable	<u>-</u>	<u>10,000</u>

14. Movements in funds

	2021 £	2020 £
At 1 April 2020	11,286,804	-
Net income / (expenditure)	(85,997)	11,590,446
Exceptional item - withdrawal of major grant	-	400,000
Realised and unrealised gains / (losses) on investments	<u>392,520</u>	<u>(703,642)</u>
At 31 March 2021	<u>11,593,327</u>	<u>11,286,804</u>

15. Financial instruments at fair value

	2021 £	2020 £
Financial assets measured at fair value	<u>11,407,091</u>	<u>11,060,454</u>

Financial assets measured at fair value comprise listed and unlisted investments.

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

16. Related party transactions

Organisation	Connection to Clark Foundation	Receivable / (payable) during the year £	Outstanding at year end £
WSC 1908 Trust	Gloria Clark, Richard Clark, Judith Derbyshire, Peter Drew and Martin Lovell (trustees) are trustees.	12,374	12,374
C&J Clark Limited Employees 1922 Trust	Gloria Clark, Richard Clark, Judith Derbyshire, Peter Drew and Martin Lovell (trustees) are trustees.	2,434	2,434
Trustees of Crispin Hall	Richard Clark and Martin Lovell (trustees) and John Clark and William Clark (sons of trustee) are trustees.	(4,800)	-
Roger and Sarah Bancroft Clark Charitable Trust	Martin Lovell (trustee) is a trustee.	6,586	2,360

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions

	2021 £	2020 £
Arts:		
Glastonbury Tribunal - One Enchanted Evening	900	-
Hestercombe Garden Trust	500	-
Llanelli Community Wind Band	100	-
Minehead Museum	500	-
Radstock Museum	3,000	-
Wassail Theatre Company	1,000	-
Weston Zoyland Engine Trust	2,000	-
Aerospace Bristol	-	2,000
Cumbria Opera Group	-	500
Curzon Clevedon Community Centre for the Arts	-	5,000
Live Music Now South West	-	500
Llanelli Community Wind Band	-	100
Minehead Literary Festival	-	200
Wells in Mosaic	-	500
	8,000	8,800
Countryside:		
Somerset Wildlife Trust	13,000	-
West Somerset Railway Association	5,000	-
Carymoor Environmental Trust	-	3,000
Farming & Wildlife Advisory Group South West Ltd	-	500
Honeymead Garden Society	-	500
Magdalen Environmental Trust	-	250
Natural England - Avalon Marshes	-	5,000
Somerset Archaeological and Natural History Society (SAHNS)	-	3,000
	18,000	12,250

Clark Foundation

Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021 £	2020 £
Education:		
Polden Bower School	5,000	-
Wookey Primary School PTA	792	-
Crosthwaite CofE Primary School	-	1,784
Darshill and Bowlish Conservation Society	-	1,000
Elmhurst Junior School	-	350
Friends of Brookside	-	5,000
Grange CofE Primary School	-	800
Kendal Primary Multi Academy Trust T/A Castle Park School	-	750
Kirkbie Kendal School	-	400
Mearns Primary PTA	-	200
Somerset County Council	-	5,000
South Parks Primary School Fund	-	100
St Margaret's CEVA School	-	3,000
Whitstone School Academy Trust	-	10,000
	5,792	28,384
Housing:		
Paisley Citadel Salvation Army	-	500
Medicine:		
Asthma Relief	500	-
Caudwell Children	900	-
Clowns in the Sky	400	400
Disabled Workers Co-operative	300	-
Great Western Air Ambulance	3,550	-
Health Connections Mendip	20,573	-
St. John's Hospice, North Lancs	5,594	-
Yeovil Hospital Charity	60,000	-
Above and Beyond	(20,000)	20,000
Children's Hospice South West	(10,000)	10,000
Access Wales	-	125
Dorothy House Hospice Care	-	3,000
Fight Against Blindness	-	200
Headway Somerset	-	750
Help the Child	-	750
Motor Neurone Disease Association	-	1,000
North Devon Hospice	-	2,000
Penny Brohn UK	-	2,000
St Lukes Hospice, Plymouth	-	5,000
St Margaret's Somerset Hospice	-	5,000
The Grand Appeal Bristol	-	5,000
	61,817	55,225

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Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021 £	2020 £
Overseas:		
Clarks International - Farida, India	-	900
Religion:		
All Saints Church, Halcon	250	-
All Saints, Nynehead	500	-
St Andrews Church, Whitestaunton	1,000	-
St Edwards Church, Chilton Polden	1,000	-
St Michael & All Angels, Bawdrip	(312)	1,000
St Peter & St Paul, Bleadon	25	4,800
St Peters, Williton	500	-
St. Mary's Church, The Charltons	2,000	-
St. Philip & St. James Odd Down	5,000	-
Castle Cary Methodist Church	-	2,500
Elim Connect	-	4,000
Goathurst PCC St Edward's Church	-	500
Parochial Church Council of Bawdrip	-	1,000
St Mary's Parochial Church Council	-	3,000
Viridor Waste Management - All Saint's Church Castle Cary	-	10,000
	9,963	26,800
Welfare:		
7 Starlings, Shepton Mallet Library	5,000	-
Bowls Club, Barnstaple	10,000	-
Burnbridge Wanderers	600	-
Chilton Polden Playing Fields	10,000	-
Crispin Hall	4,800	1,000
Cumbria Community Foundation	5,000	-
Ellens Almshouses, Burnham	6,500	-
Locks Heath Lions Football Club	150	-
Mudford Village Hall	1,000	-
Sandgate Hydrotherapy Pool	2,000	-
Selwood Tennis Club	8,000	-
Shapwick & Polden Cricket Club	1,300	-
Somerset Community Foundation	30,000	-
South Petherton Tennis Club	5,000	-
Watchet Bowls Club	10,000	-
Wells City Football Club	1,000	500
ARK at Egwood	-	500
Bargeddie Colts	-	200
Bridgwater and Albion Rugby Club	-	3,000
Butleigh Playing Fields Association	-	750
Castle Street Centre Kendal	-	2,000
Sub-total carried to the next page	100,350	7,950

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Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021 £	2020 £
Welfare (continued):		
Brought forward from previous page	100,350	7,950
Didsbury Cricket Club	-	200
Draycott Community Shop	-	2,000
Drayton Village Hall	-	1,000
Exeter Community Transport Association	-	500
FareShare South West	-	500
FC Lantokay	-	500
Glastonbury Town Council	-	500
Griffin Association	-	1,000
Hambridge and Westport Recreation Trust	-	500
Harwich and Parkeston Football Club	-	500
Hornet Rebels	-	500
Kendal County Football Club	-	750
Lydford-on-Fosse Parish Council	-	200
Mendip Rangers FC	-	500
Merriman Park Street	-	50,000
Middlezoy Rovers Football Club	-	5,000
Minehead Town Council	-	5,000
Moorlinch Church Hall	-	1,000
North Shields Juniors Reds U8s	-	250
North Somerset Citizens Advice	-	15,000
Parkrun Limited	-	200
Peterborough Thorpe Wood Rangers FC 'Under 13's'	-	500
Reading YMCA Under 15 Boys	-	200
Rodney Stoke Parish Council	-	1,000
Shawcross Club for Young People	-	300
Somerset Multicultural Association	-	100
South Somerset District Council	-	5,000
SSCAT	-	1,000
St Johns Centre Glastonbury	-	8,000
Street & District Swimming Club	-	1,670
Street Striders	-	400
The Woodworks Project	-	500
Twinstead & Braintree RDA Group	-	150
Ugborough Football Club	-	100
Ulverston Inshore Rescue	-	750
Victoria Lawn Tennis Club	-	2,000
Wedmore Cricket Club	-	750
West Pennard Village Hall	-	3,000
Windermere Rowing Club	-	750
Wookey Hall Refurbishment	-	2,000
Wyrral Park Bowls Club	-	(3,000)
Yeovil Netball Club	-	200
	100,350	118,920

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Notes to the financial statements

For the year ended 31 March 2021

17. Grants payable to institutions (continued)

	2021 £	2020 £
Youth / Children:		
1st Kendal Scouts	4,000	-
1st Watchet Sea Scouts	750	-
Bridgwater Sea Cadets	10,000	-
Childrens' World	1,000	2,000
Glastonbury & St. Sea Cadets	2,000	-
Hinton St. George PFA	8,000	-
Newbridge Town Football Club	268	-
Project Charltons	10,000	-
Somerton Scout Group	1,000	-
Chernobyl Children's Lifeline Sherborne & Yeovil Link	-	100
Compton Dundon & Littleton Toddler Group	-	750
First Steps Bath	-	500
Lyndon Colts Cubs	-	200
Street Young People Centre	-	(3,516)
Ton & Gelli Boys & Girls Club	-	200
	37,018	234
Total grants payable to institutions	240,941	252,013