

# **THE HABERDASHERS' CHARITABLE FOUNDATIONS**

## **Financial Statements**

**30 June 2021**

# THE HABERDASHERS' CHARITABLE FOUNDATIONS

## FINANCIAL STATEMENTS 2021

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# THE HABERDASHERS' CHARITABLE FOUNDATIONS

## LEGAL AND ADMINISTRATIVE DETAILS

Year ended 30 June 2021

### THE FOUNDATIONS

The charities listed below are known collectively as The Haberdashers' Charitable Foundations and referred to in this report as the Foundations. The Foundations are unincorporated charities registered with The Charity Commission for England and Wales. The registered office address is Haberdashers' Hall, 18 West Smithfield, London EC1A 9HQ.

Charity name	Charity registration number
The Haberdashers' Educational Foundation	1093108
The Haberdashers' Christian Foundation	1093112
The Haberdashers' Benevolent Foundation	1093111
The Haberdashers' Foundation	275067

### TRUSTEE

The Haberdashers' Company - a City of London Livery Company incorporated by Royal Charter

Haberdashers' Hall  
18 West Smithfield  
London  
EC1A 9HQ

### MASTER AND WARDENS OF THE HABERDASHERS' COMPANY

Master	The Rev'd James Power
First Warden	C R S Hardie
Second Warden	R E I Elliott
Third Warden	J D Gregory
Fourth Warden	C J Penney

### OFFICERS OF THE HABERDASHERS' COMPANY

Clerk	Commodore Philip J Thicknesse RN (resigned 31 October 2020) Brigadier H Angus Watson MBE (appointed 31 October 2020)
Finance Director	Ed Bayley
Director of Charities	Liz Prescott (resigned 8 October 2020)
Director for Charities	Susan Barry (appointed 8 October 2020)

### INVESTMENT MANAGERS

Cazenove Capital Management Limited  
12 Moorgate  
London  
EC2R 6DA

### BANKERS

C Hoare & Co  
37 Fleet Street  
London  
EC4P 4DQ

Allied Irish Bank (GB)  
26 Finsbury Square  
London  
EC2A 1DS

# **THE HABERDASHERS' CHARITABLE FOUNDATIONS**

## **LEGAL AND ADMINISTRATIVE DETAILS**

**Year ended 30 June 2021**

### **SOLICITORS**

Stone King LLP  
Boundary House  
91 Charterhouse Street  
London  
EC1M 6HR

### **AUDITORS**

Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

### **PROPERTY MANAGERS/ADVISERS**

Carter Jonas  
Black Birches  
Hadnall  
Shrewsbury  
SY4 3DH

## **OTHER CHARITIES OF WHICH THE HABERDASHERS' COMPANY IS TRUSTEE**

(for which separate reports and accounts are prepared - enquiries to be addressed to the Clerk to the Company as listed on page 1)

1002886	The Aske's Tercentenary Fund
528402	Haberdashers' Adams' Grammar School Charity
313996	Haberdashers' Aske's Charity
1097691	The Haberdashers' Charities Investment Pool
525616	William Jones's Schools Foundation

## **OTHER CHARITIES ASSOCIATED WITH THE HABERDASHERS' COMPANY**

1062019	The Haberdashers' Millennium Treasures Trust
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The Trustees of this charity are the Master and Wardens of the Haberdashers' Company - enquiries to be addressed to the Clerk to the Company as listed on page 1.

## **THE HABERDASHERS' SCHOOLS**

Haberdashers' Boys' School, Elstree, Hertfordshire  
Haberdashers' School for Girls, Elstree, Hertfordshire  
Haberdashers' Hatcham College, New Cross, London SE14  
Haberdashers' Hatcham Temple Grove, London SE14  
Haberdashers' Hatcham Temple Grove Free School, London SE14  
Haberdashers' Slade Green Temple Grove, Erith, Kent  
Haberdashers' Knights' Academy, Downham, Kent  
Haberdashers' Knights Temple Grove, Downham, Kent  
Haberdashers' Crayford Academy, Crayford, Kent  
Haberdashers' Crayford Temple Grove, Crayford, Kent  
Haberdashers' Borough Academy, Southwark, London  
Monmouth School for Boys, Monmouth  
Monmouth School for Girls, Monmouth  
Monmouth Schools Pre-Prep & Nursery, Monmouth  
Haberdashers' Adams', Newport, Shropshire  
Haberdashers' Abraham Darby Academy, Madeley, Telford, Shropshire

# THE HABERDASHERS' CHARITABLE FOUNDATIONS

## TRUSTEE'S REPORT

Year ended 30 June 2021

The information in this report, including the legal and administrative details listed on pages 1 and 2, is common to all of the Foundations whose individual financial statements are attached. The financial statements have been prepared in accordance with the accounting policies set out in the accounts and comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). Additional information specific to each Foundation is provided with the statements for that Foundation.

### TRUSTEE

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is named as the permanent Trustee of the Haberdashers' Charitable Foundations in their governing Charity Commission Schemes. The full name under which the Company is incorporated is 'The Master and Four Wardens of the Fraternity of the Art or Mystery of Haberdashers in the City of London'. Neither the Trustee nor any member of its governing body, the Court of Assistants, receives any remuneration from the Foundations.

### TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundations and of the incoming resources and application of the resources of the Foundations for that period. In preparing these financial statements the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundations will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundations and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Foundations' constitutions. The Trustee is also responsible for safeguarding the assets of the Foundations and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### BACKGROUND INFORMATION

The Haberdashers' Company (the Company) originated as a fraternity of members engaged in the haberdashery trade in the City of London. The first surviving ordinances were recorded in 1371 and the Company's first royal charter was granted by Henry VI in 1448; a subsequent royal charter granted by Elizabeth I in 1578 is still in force.

Over the centuries, members of the Company and other benefactors made bequests and gifts to the Company to hold and manage as Trustee, notably in the 16th and 17th centuries to found schools in London and elsewhere in England and in Wales. These have developed into the thriving establishments listed on page 2 in which the Company is still actively involved, appointing governors and maintaining its role as Trustee of the various Schools' foundations which nowadays are constituted as registered charities. With the exception of the Thomas Aldersey School Fund, which supports Aldersey Church of England Primary School at Bunbury, Cheshire and is dealt with in the accounts of the Haberdashers' Educational Foundation, the Haberdashers' Schools' foundations are constituted and administered separately, and individual reports and accounts are prepared for them.

# **THE HABERDASHERS' CHARITABLE FOUNDATIONS**

## **TRUSTEE'S REPORT**

**Year ended 30 June 2021**

In addition to the Haberdashers' Schools' foundations, the Company was entrusted with almshouse charities and a large number of grant-giving foundations for various educational, Christian and benevolent purposes. Many older foundations were consolidated into three new charities under a Charity Commission Scheme dated 19 June 2002. The three new charities, which started operating on 1 July 2002, were named The Haberdashers' Educational Foundation, The Haberdashers' Christian Foundation and The Haberdashers' Benevolent Foundation. The Haberdashers' Donations Trust, established in 1978, joined the new grouping of Haberdashers' Charitable Foundations on 1 July 2002 and changed its name to The Haberdashers' Foundation on 26 September 2006.

### **ADMINISTRATION**

The Court of Assistants, the governing body of the Company, delegates responsibility for the management of the Foundations to its Charities Committee and Education Committee (the latter for Aldersey Primary School at Bunbury), each Committee meeting up to four times each year. Responsibility for management of the Foundations' investments is delegated to the Securities Committee and Property Committee, supported by external investment managers.

Members of the Charities Committee are selected from the Court of Assistants and from the Livery of the Company, so as to ensure a good range of professional expertise. The Committee is serviced by the Director of Charities.

On appointment, new committee members are issued with a full briefing pack, including information specific to each Foundation plus a range of Charity Commission and other relevant publications. The pack is augmented by individual or group briefing sessions. Ongoing training includes provision of updates to relevant material and briefing sessions at committee meetings.

The Foundations are administered on a day-to-day basis by the Clerk, the Director of Charities and other staff of the Haberdashers' Company. Under joint contracts of employment and a paymaster arrangement, the Foundations pay a share of Haberdashers' staff salaries based on an apportionment of time spent. The Company makes a separate charge, not exceeding the actual cost to the Company, in respect of supplies and services other than salaries. The Company also makes donations to some of the Foundations.

### **CONNECTED CHARITIES**

The Foundations share the same Trustee, asset investment and administrative arrangements. When a grant application is received, it is automatically tested in relation to the objects of all of the Foundations. The Foundations are therefore regarded as connected charities.

### **INVESTMENT POLICY**

The Foundations' endowment funds are invested predominantly in the Haberdashers' Charities Investment Pool, a common investment fund having the Haberdashers' Company as Trustee. The Pool adopts investment objectives appropriate for these long term funds whilst providing economy of scale. Further information on the Pool is shown in a supplementary statement at page 10.

Management of the Pool's investments is delegated to the Investment Managers, Cazenove Capital Management Limited, under the supervision of the Company's Securities Committee.

# THE HABERDASHERS' CHARITABLE FOUNDATIONS

## TRUSTEE'S REPORT

Year ended 30 June 2021

From April 2017, the Haberdashers' Charities Investment Pool (CIP) adopted a total return approach with the Haberdashers' Company as Trustee. Since this date, the investment objective for the CIP is to maximise total return, whilst producing income broadly in line with the average level sought by charities constrained by income. From April 2017, the performance benchmark has been as follows:

Equities	MSCI AC World Index
Fixed Interest	FTSE Government All Stocks
Alternatives	LIBID 7 day +2%

The Trustee requires that investment risk is minimised in relation to the mix of asset classes and stocks held within each class. The investments in the CIP are managed by Cazenove Capital Management Ltd.

Under the total return approach, all investment returns are received into the permanent endowment fund, whether in the form of income or realised or unrealised gains. With full regard to the overriding duty to manage investment assets to meet the long term needs of the participating charities, the Trustee then make transfers out of the accumulated unapplied total return in the endowment fund to a 'trust for application' to meet grants and other costs formerly paid out of net income. Charitable spending is capped at 2.5% of the capital value of the Haberdashers' Charities Investment Pool, being the average spending rate over the past 10 years. The remaining unapplied total return is retained within the permanent endowment fund. A note for movement on unapplied total return, pertinent to each Foundation, is included in each set of accounts.

The base date for total return approach was 30 June 2009, at which point the total value of the endowment was £20.19 million. Preservation of real value of the endowment fund is monitored by indexing the base value to the greater of the Retail Price Index (RPI) and the Consumer Price Index (CPI). At 30 June 2021, the value of endowment fund investment assets was £14.1m more than the indexed base value (2020: £9.98m).

In the year ended 30 June 2021, The Haberdashers' Charities Investment Pool generated a total return of 21.1% in the year against its benchmark of 16.1% (2020: 4.0% actual against 6.0% benchmark).

Two small endowment funds are separately invested in a common investment fund selected by the Trustee, currently the Sarasin Alpha Fund.

## RISK MANAGEMENT

The Trustee has implemented a risk management strategy, which comprises:

- annual review of risks faced by the Foundations;
- establishment and review of systems and procedures to mitigate those risks; and
- establishment and review of procedures to minimise potential impact on the Foundations should any of those risks materialise.

The main risks identified by the Trustee are investment risks and beneficiary selection which are both subject to comprehensive management procedures.

## OBJECTIVES

The Charities Committee acting on behalf of the Trustee confirms that its members have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundations' aims and objectives and in planning future activities and setting their grant making policy.

The charitable objectives for the grant-making Foundations are as follows:

- To promote educational and developmental opportunities for young people particularly pupils and former pupils of the Company's Schools and young people from disadvantaged backgrounds.
- To promote support for the disadvantaged, disabled, sick or elderly particularly in areas where the Company has strong connections.

## **THE HABERDASHERS' CHARITABLE FOUNDATIONS**

### **TRUSTEE'S REPORT**

**Year ended 30 June 2021**

- To promote support for the unemployed, the homeless, ex-offenders or those at risk of offending.
- To promote both financial and other support to the Church of England Parishes of which the Company is Patron.
- To promote additional support to Charities where possible by providing contacts, networking opportunities or other initiatives where the Company or its members have particular expertise.
- To encourage members of the Company and people at the Company's schools in charitable endeavour.

More details about the charitable objects for each Foundation are given in the relevant Trustee's Report.

### **ACHIEVEMENTS AND PERFORMANCE**

The achievements and performance are listed from page 11 onwards with detailed information relating to each Foundation given in a specific Trustee's report, followed by separate sets of financial statements as follows:

- |  |         |
|--|---------|
| • Haberdashers' Educational Foundation | page 11 |
| • Haberdashers' Christian Foundation   | page 30 |
| • Haberdashers' Benevolent Foundation  | page 41 |
| • Haberdashers' Foundation             | page 56 |

# THE HABERDASHERS' CHARITABLE FOUNDATIONS

## CHARITIES INVESTMENT POOL SUMMARY

Year ended 30 June 2021

### ACCOUNTING POLICIES COMMON TO ALL OF THE FOUNDATIONS

#### Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements are prepared in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)' and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP (FRS102) rather than SORP 2005 which has been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Foundations. Monetary amounts in these financial statements are rounded to the nearest £.

The Foundations constitute public benefit entities as defined by FRS102.

The Trustee considers that there are no material uncertainties about the Foundations' ability to continue as a going concern due to the total funds of each Foundation at the year end.

#### Cash flow exemption

Advantage has been taken of the exemption for charities with income less than £500,000 from preparing a cash flow statement under Charities SORP (FRS102).

#### Funds structure

The following types of fund are maintained:

Permanent Endowment Funds hold permanent capital, invested to provide income for either unrestricted or restricted funds, according to the original donors' wishes.

Expendable Endowment Funds hold expendable capital (which can be converted to income at the discretion of the Trustee), invested to provide income for either unrestricted or restricted funds, according to the original donors' wishes.

Restricted Funds hold income received for purposes specified by donors or by the terms of an appeal, or income set aside for particular purposes specified by the constitution of a Foundation.

Unrestricted Funds receive income which is expendable at the discretion of the Trustee in furtherance of the objects of the Foundations.

#### Income recognition

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and receipt is probable.

Donations: Donations and all other receipts from fundraising are reported gross and any related fundraising costs are reported in other expenditure. Tax recoverable relating to donations is accounted for in the same period as the related income.

Legacy gifts: Legacies are recognised when the administrator/executor for the estate has communicated in writing both the amount and the settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

# **THE HABERDASHERS' CHARITABLE FOUNDATIONS**

## **CHARITIES INVESTMENT POOL SUMMARY**

### **Year ended 30 June 2021**

Investment income: Investment income is accounted for when receivable and recoverable tax or transitional relief, where applicable, is accounted for in the same period as the related income.

Investment pool: Income from the Haberdashers' Charities Investment Pool is apportioned to the individual Foundations in proportion to their capital balances at the beginning of the year, adjusted for capital added or expended during the year.

#### **Expenditure recognition**

Charitable expenditure includes all expenditure directly related to the objects of the Foundations and is recorded on an accruals basis. For grants, expenditure is recognised according to the date on which each award is authorised by the Trustee to the extent that the beneficiary may reasonably expect to receive it, whether in the current year or in a future year.

#### **Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### **Allocation of support and governance costs**

Support costs have been allocated between governance costs and other support costs. These include salaries and service charges relating to specific staff involved directly in facilitating charitable activities.

Governance costs relate to expenditure incurred in relation to the governance arrangements of the Foundations themselves, rather than their charitable activities, and include salaries and service charges for specific staff involved in compliance with constitutional and statutory requirements and audit fees.

#### **Tangible fixed assets and depreciation**

No value is attributed to the following functional land and buildings owned by the Foundations prior to the implementation of Financial Reporting Standard FRS15 in 2000.

Haberdashers' Educational Foundation:

Thomas Aldersey School Fund - Aldersey Primary School, Bunbury, Cheshire.

Historical cost information is no longer available for this property and the Trustee considers that attempts to provide valuations on existing use basis would produce no useful or reliable information. If it were possible to base a provision for depreciation on historical cost, it is probable that the amount would not be material.

The Thomas Aldersey School Fund acquired a piece of freehold land in 2008 to extend the school site and this asset is recorded at cost. There are no significant buildings on the land so provision has not been made for depreciation on it.

#### **Investment property**

Minor land interests retained in the Haberdashers' Educational Foundation and Haberdashers' Benevolent Foundation have been stated at value estimated by a professional adviser.

#### **Fixed asset investments**

Investments are stated at market value. All gains and losses are taken to the Statement of Financial Activities as they arise.

#### **Financial instruments**

The Foundations have chosen to adopt Sections 11 and 12 of FRS102 in respect of financial instruments. Financial instruments are recognised in the balance sheet of each Foundation when it becomes party to the contractual provisions of the instrument.

# THE HABERDASHERS' CHARITABLE FOUNDATIONS

## CHARITIES INVESTMENT POOL SUMMARY

**Year ended 30 June 2021**

### Financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially recognised at transaction price including transaction costs and are subsequently carried at amortised cost.

Other financial assets, including investments in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

Financial assets are derecognised when:

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership of the asset are transferred to another party, or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

### Financial liabilities

Basic financial liabilities, which include trade and other creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods where necessary.

In the view of the Trustee, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

# THE HABERDASHERS' CHARITABLE FOUNDATIONS

## CHARITIES INVESTMENT POOL SUMMARY

Year ended 30 June 2021

The Haberdashers' Charities Investment Pool is a common investment fund and a registered charity, with a portfolio of investments managed to generate income and capital growth for its participants, which are all charities having the Haberdashers' Company as trustee. Participants are listed below:

	Share of Pool 2021 %	Total 2021 £	Total 2020 £
Haberdashers' Charitable Foundations:			
Haberdashers' Educational Foundation	33.8%	15,023,784	12,707,418
Haberdashers' Christian Foundation	3.7%	1,635,431	1,383,280
Haberdashers' Benevolent Foundation	48.6%	21,631,336	18,296,218
The Haberdashers' Foundation	1.8%	816,842	690,902
Other Haberdasher charities	12.1%	5,372,525	4,543,976
Pool total assets	100.0%	<u>44,479,918</u>	<u>37,621,794</u>
Bonds & government stocks		9.7%	11.9%
Equities		75.0%	68.3%
Absolute return & hedged equity		1.4%	5.5%
Property		1.9%	2.2%
Other		10.1%	10.4%
Cash		1.9%	1.7%

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## TRUSTEE'S REPORT

Year ended 30 June 2021

The information on pages 1 to 6 forms part of this report.

### Objects

The Foundation was created in 2002 with nine separate charitable funds. Other funds were added subsequently:

- in 2002, the Haberdashers' St Catherine Foundation, formerly a separate registered charity.
- in 2004, the Ezra Fund, endowed by donation from Lord Ezra.
- in 2006, the Schrodgers' and Haberdashers' Educational Foundation, formerly a separate registered charity.
- in 2008, the F Pritchard Fund, endowed by bequest from the late Florence Pritchard, to support awards for mathematics and sport at Adams' Grammar School.

Objects and grant-making policies are listed fund by fund in the 'Activities' section of this report.

In applying the income available from each fund, the Trustee is mindful of the origins of the various trusts which were consolidated to form the Foundation, and seeks to abide by the spirit of the original donors' wishes wherever practicable, if they are no longer separately specified in the objects.

### Reserves policy

The separate objects of the Foundation's various funds mean that each fund's income and reserves are regarded as restricted within the context of the Foundation as a whole. Therefore, as an exception to the convention that only unrestricted funds hold free reserves, the Foundation's free reserves are shown under Restricted Funds in the Statement of Financial Activities.

The Trustee's reserves policy is to retain free reserves fund by fund, varying from zero up to one year's expenditure depending on whether grants are awarded singly or, conditionally, over longer periods. Total reserves in unrestricted and restricted income funds amounted to £770,650 at 30 June 2021 (2020: £655,688).

### Property

No balance sheet value is attributed to functional land and buildings held by the Thomas Aldersey School Fund, which must be retained by the trustee for use as a voluntary aided school, Bunbury Aldersey Church of England Primary School. Additional land adjoining the school site acquired during 2008 is valued at cost.

The Thomas Aldersey School Fund also owns the freehold of the former Headmaster's house at Bunbury, which is subject to two lease agreements producing a small ground rent only.

### Investments

Investments are held predominantly in the Charities Investment Pool, with separately identified holdings for each fund. The Prize Fund and Pamela K Pye Fund are invested in common investment fund units. Unrealised gains on endowment fund investments in the year amounted to £2,381,093 (2020: £190,223).

### Activities

The objects and activities of the constituent funds are summarised below:

#### (a) Thomas Aldersey School Fund

The object of the fund is the provision of items, services and facilities for Bunbury Aldersey Church of England Primary School. After setting aside £350 for the School's designated upkeep fund, an amount of £10,000 was paid to the school for use in accordance with the object.

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## TRUSTEE'S REPORT

Year ended 30 June 2021

### (b) The Thomas Arno Fund

The objects of the fund are the provision of items, services and facilities for the Haberdashers' schools and the promotion of education of pupils and former pupils of the Haberdashers' schools.

#### (i) Haberdashers' Schools

14 grants totalling £14,300 were made to the schools. Of this, £6,000 was awarded for staff bursaries enabling staff to undertake activities beneficial to themselves and to their schools.

#### (ii) Haberdashers' Pupils

36 grants totalling £33,296 were made to pupils and former pupils of Haberdashers' schools. These were mainly for medical electives, vocational courses, travel and other 'gap year' projects of an educational nature.

### (c) Dyson Memorial Fund

The object of the fund is the relief of poverty of pupils, former pupils or parents of current pupils of Haberdashers' Aske's Hatcham College. The fund is available for travel grants for pupils of the College, who cannot afford school trips. Payment is made periodically to the College to top up its fund for this purpose. Funds of £4,700 were paid to the school in the year.

### (d) Ezra Fund

Lord Ezra, an Old Monmothian and Liveryman Honoris Causa of the Haberdashers' Company, endowed a new fund in 2003/04 to support an enterprise initiative benefiting pupils of Haberdashers' schools. The Covid-19 pandemic prevented this event from taking place in the academic year 2020/21.

### (e) The Further and Higher Education Fund

The object of the fund is to promote education by the provision of scholarships, grants or awards to persons undertaking a course of further or higher education, with a preference for pupils or ex-pupils of the Haberdashers' Schools and persons undertaking a course of divinity.

#### (i) Scholarships for Haberdashers' Schools

The majority of the funds available in the Further and Higher Education Fund are used to provide university scholarships and bursaries for pupils and former pupils of Haberdashers' schools. Nominations are made by the schools and are tenable over the whole of a student's university career. In many cases these awards enable students who may not otherwise have considered going to university to do so. The minimum value of the award was increased to £1,000 per annum in 2016/17. In 2020/21, 16 new awards were made during the year at a cost of £57,000.

#### (ii) Divinity Scholarships

The beneficiaries of the Jeston Divinity Scholarships are nominated by Trinity College, Cambridge, with the current level of awards being £1,000 for each undergraduate scholarship and £1,000 per annum for the postgraduate scholarship.

### (f) Florence Pritchard Fund

Mrs Pritchard left a share in her estate to the Governors of Haberdashers' Adams' Grammar School "in memory of J W Pritchard who was educated there and was subsequently Senior Wrangler at Trinity College, Cambridge, to hold the same in trust and to use the income therefrom to provide financial assistance to pupils having special aptitude in mathematics or sport". The funds are held separately within the Haberdashers' Educational Foundation. In 2020/21, funds totalling £2,000 were used to fund pupil scholarships in the subjects noted above.

### (g) Haberdashers' St. Catherine Foundation

The Foundation's objects may be summarised as:

- providing financial help towards the cost of education of pupils of Haberdashers' and other schools who are in financial need, whilst at school or receiving further education; and
- providing financial support to charitable foundations or for such other charitable purposes as the Haberdashers' Company shall in its absolute discretion determine.

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## TRUSTEE'S REPORT

Year ended 30 June 2021

The Foundation's activities are:

- (i) The award of bursaries to pupils of Haberdasher schools in cases of unforeseen family hardship, normally to help pupils complete the final examination year of a GCSE or A-level course. Three such bursaries totalling £11,000 were awarded during the year.
- (ii) Benjamin Barker music grant to the Haberdashers' Aske's Hatcham College. A grant of £2,000 was made to support the work of the music department.
- (iii) Grants to Haberdasher state-maintained schools for pupil-related expenses (such as school trips) or for projects of benefits to pupils. In 2020/21 awards totalling £19,620 were made.

### (h) The Monmouth School Scholarships Fund

The object of the fund is to promote education by the provision of scholarships, grants or awards to pupils or intended pupils of Monmouth School, with a preference for those whose financial circumstances or those of their parents may preclude them from otherwise attending the school. Scholarships totalling £25,650 were awarded from the fund in 2020/21.

The Fund has received the benefit of unsecured, interest-free loans over several years totalling £50,000 from the Old Monmothian Club, of which £40,000 has been subsequently converted into donations to the expendable endowment fund. The loan balance remaining was £10,000 at 30 June 2021.

### (i) The Prize Fund

The object of the fund is to further the education of pupils attending the Haberdashers' Schools by the award of prizes or other suitable marks of distinction. The capital of the fund comprises monies given over the years by donors connected with the schools, often naming prizes in memory of particular individuals. A proportionate amount of the fund is held for each school and distributions are made each academic year. The total amount distributed in 2020/21 was £10,750.

### (j) The Pamela K. Pye Fund

The object of the fund is to advance the education of the pupils of the Haberdashers' Aske's School for Girls, Elstree, with a preference for assisting the music department or library of the School. Funds totalling £6,500 were paid to the school in 2020/21.

### (k) The Schrodgers' and Haberdashers' Educational Foundation (SHEF)

SHEF was created for the benefit of the Haberdashers' schools in 1997 and joined the Haberdashers' Educational Foundation in 2005. During the year, SHEF awarded 6 grants totalling £19,500. Projects supported included a Reading for Pleasure programme at Haberdashers' Aske's Knights Academy and numeracy catch up lessons at Haberdashers' Aske's Hatcham College.

### (l) The Travel Scholarships Fund

The object of the fund is to promote education by the provision of scholarships, grants or awards to persons undertaking a course of further or higher education, or a wholly educational expedition, outside the United Kingdom, with a preference to pupils or former pupils of the Haberdashers' schools. Awards may exceptionally be made, up to a defined limit, for inward scholarships of this nature, to the United Kingdom but in practice these are rare.

Reports are received from beneficiaries on their return, as a means of evaluating whether their objectives were fulfilled. Awards totalling £14,800 were made in 2020/21. Award terms were increased to allow for disruption to travel plans due to the Covid-19 pandemic.

### (m) Throckmorton Trotman Educational Fund

The object of the fund is to promote the education of persons under the age of 25 who are in need of financial assistance and are resident in Greater London. Exhibitions have customarily been awarded as follows:

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## TRUSTEE'S REPORT

Year ended 30 June 2021

### (i) Senior Exhibitions

To provide exhibitions tenable at universities and other colleges of further education to applicants between the ages of 16 and 24 years, in practice only to qualifying former pupils of Haberdashers' schools. Two new awards were made during the year at a cost of £2,000.

### (ii) Junior Exhibitions

To provide exhibitions tenable at secondary schools or other educational institutions to applicants between the ages of 11 and 14 years. In the past exhibitions were awarded as a result of examinations open only to qualifying pupils of Haberdashers' Aske's Boys' School and Haberdashers' Aske's School for Girls. The Charities Committee carried out a review of the use of the Trotman Fund in April 2015. Since then awards have been made annually via the two schools and form part of the bursary funding to assist pupils whose parents have financial need. Two awards totalling £30,000 were made in 2020/21.

### Financial

Incoming resources amounted to £384,715 (2020: £430,397), which included a donation of £20,000 from the Haberdashers' Foundation (2020: £59,000). Charitable expenditure was £292,473 (2020: £293,827). The net increase in unrestricted and restricted reserves in the year, after investment gains or losses and transfers between funds, was £114,962 (2020: £127,189).

The Trustee considers that the Foundation is well placed to continue meeting its various educational objects and the current range of activities is expected to remain in place for the foreseeable future.

For and on behalf of the Trustee



Master



Chairman, Charities Committee

# **THE HABERDASHERS' EDUCATIONAL FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

### **Opinion**

We have audited the financial statements of The Haberdashers' Educational Foundation for the year ended 30 June 2021 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation's affairs as at 30 June 2021 and of its incoming resources and application of resources 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 opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's 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 Foundation'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 Trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustee is 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

# **THE HABERDASHERS' EDUCATIONAL FOUNDATION INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Foundation has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of the Trustee**

As explained more fully in the Trustee's Responsibilities Statement set out on page 3, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the Foundation'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 Trustee either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

## **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the Foundation's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Foundation by discussions with informed management and updating our understanding of the sector in which the Foundation operates.

Laws and regulations of direct significance in the context of the Foundation include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Foundation's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Foundation's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

## THE HABERDASHERS' EDUCATIONAL FOUNDATION INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### Use of our report

This report is made solely to the Foundation's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to it 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 Foundation and the Trustee, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, reading "Saffery Champness LLP", is written over a horizontal dotted line.

Saffery Champness LLP

Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 27 January 2022.

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

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 30 June 2021

	Note	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
<b>Income and endowments from:</b>						
Donations and legacies		-	24,762	-	24,762	68,622
Investments:						
Haberdashers' Charities Investment Pool		-	-	322,906	322,906	322,870
Other investment income		-	18,119	-	18,119	18,118
Rent receivable		-	30	-	30	30
Interest receivable		-	18,898	-	18,898	20,757
		-	61,809	322,906	384,715	430,397
<b>Expenditure on:</b>						
Expenditure on charitable activities:						
Education & training- Grants awarded	2	-	292,473	-	292,473	293,827
		-	292,473	-	292,473	293,827
<b>Net gains on investments</b>	5	-	22,720	2,381,093	2,403,813	180,842
<b>Net (expenditure)/income</b>		-	(207,944)	2,703,999	2,496,055	317,412
Transfer between funds	6,11	-	322,906	(322,906)	-	-
<b>Net movement in funds</b>		-	114,962	2,381,093	2,496,055	317,412
<b>Reconciliation of Funds:</b>						
Fund balances brought forward		212	655,476	13,341,992	13,997,680	13,680,268
<b>Fund balances carried forward</b>	10	212	770,438	15,723,085	16,493,735	13,997,680

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## BALANCE SHEET 30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	66,807	66,807
Investments	5	16,046,579	13,612,766
		<u>16,113,386</u>	<u>13,679,573</u>
<b>Current assets</b>			
Debtors	7	4,834	5,811
Investments		239,700	203,700
Cash at bank and in hand		342,993	329,545
		<u>587,527</u>	<u>539,056</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	8	(120,178)	(138,949)
		<u>467,349</u>	<u>400,107</u>
<b>Net current assets</b>			
<b>Total assets less current liabilities</b>		16,580,735	14,079,680
Creditors: Amounts falling due after more than one year	9	(87,000)	(82,000)
		<u>16,493,735</u>	<u>13,997,680</u>
<b>Total net assets</b>			
<b>The Funds of the Charity:</b>			
Endowment funds	10	15,723,085	13,341,992
Restricted funds	10	770,438	655,476
Unrestricted general fund	10	212	212
		<u>16,493,735</u>	<u>13,997,680</u>
<b>Total Charity Funds</b>			

The financial statements on pages 18 to 29 were approved and authorised for issue on behalf of the Trustee on 27 January 2022

Signed on behalf of the Trustee



Master



Chairman, Charities Committee

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS

30 June 2021

### 1 Accounting policies

Accounting policies are as listed for all Haberdashers' Charitable Foundations on pages 7 to 9.

### 2 Analysis of expenditure

	Charitable Activities £	Support Cost £	Governance Cost £	Total 2021 £	Total 2020 £
<b>Costs directly allocated to charitable activities</b>					
Grants awarded (see note 3)	252,598	-	-	252,598	258,840
School buildings insurance	819	-	-	819	827
<b>Support costs and overheads</b>					
allocated direct:					
Audit fee	-	-	6,226	6,226	5,749
Legal fees	-	-	4,301	4,301	-
Other professional fees	-	-	-	-	-
Other administration costs	-	303	-	303	134
allocated on the basis of staff time:					
Salaries	-	21,250	3,459	24,709	24,422
Service charges	-	3,024	492	3,516	3,855
	253,417	24,577	14,479	292,473	293,827
<b>Allocation of support costs to charitable activities</b>	<b>Direct Cost £</b>	<b>Support cost £</b>	<b>Governance costs £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
allocated on the basis of relative direct cost:					
Grants - education and training	252,598	24,497	14,432	291,527	292,892
School buildings insurance	819	80	47	946	935
	253,417	24,577	14,479	292,473	293,827

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its Foundations are paid by the Haberdashers Operating Company and allocated to the various entities on the basis of time spent. The average number of employees in the year was 2 (2020: 2). Neither of the employees received employment benefits for services to the charity exceeding £60,000.

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company for accommodation and office facilities provided by and shared with those companies. The service charges do not exceed the cost to those companies of providing the services.

The Trustee receives no remuneration from the Foundation and was not reimbursed for expenses except as stated above.

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS 30 June 2021

### 3 Grants awarded

		2021
		£
<b>Grants awarded and paid during the year:</b>		
Haberdashers' Abraham Darby	Cultural Capital programme	3,700
Haberdashers' Abraham Darby	To fund the annual leasing cost of a minibus	2,500
Haberdashers' Adams'	French & modern languages department	2,500
Haberdashers' Adams'	German department resources	2,920
Aldersey C of E Primary School	2020/21 support	10,000
Haberdashers' Aske's Boys' School	2021 Northcott allocation	4,000
Haberdashers' Aske's Boys' School	Bursary allocation 2020/21	5,000
Haberdashers' Aske's Crayford Academy	Contribution to the Hardship fund	5,000
Haberdashers' Aske's Crayford Academy	Installation of outside shelters with mobile table seating	4,000
Haberdashers' Aske's Hatcham College	Dyson Travel Grants for 2020/21	4,700
Haberdashers' Aske's Hatcham College	Contribution to catch-up tutoring	3,000
Haberdashers' Aske's Hatcham College	Purchase of visualisers & numeracy catch-up sessions	5,000
Haberdashers' Aske's Knights Academy	Reading for Pleasure programme	4,000
Haberdashers' Aske's Knights Academy	Contribution to the Hardship fund	5,000
Haberdashers' Aske's School for Girls	Prize Fund	2,363
Haberdashers' Aske's School for Girls	Bursary allocation 2020/21	4,506
King's College School	2021 Northcott allocation	4,000
Monmouth School for Boys	Prize Fund	2,908
Monmouth School for Boys	Old Monmothian Fund awards	15,910
Monmouth School for Boys	Mountjoy Awards	9,440
University College School, Hampstead	2021 Northcott allocation	3,300
34 grants to institutions up to £2,000 each		31,179
38 grants to individuals		33,791
10 individuals	Grants no longer required or cancelled	(13,619)
		<u>155,098</u>

£

#### Grants awarded to be paid in a future period:

Haberdashers' Aske's School for Girls	Pamela Pye Fund – To help provide music and library facilities	6,500
Haberdashers' Aske's Boys' School	Educational Fund-Trotman Junior Exhibition	15,000
Haberdashers' Aske's School for Girls	Educational Fund-Trotman Junior Exhibition	15,000
6 individuals	Jeston University Scholarships	21,000
11 individuals	Haberdashers' University Bursaries & Arts Bursaries	38,000
2 individuals	Florence Pritchard Fund	2,000
		<u>97,500</u>

£

#### Grants awarded in previous years, payable after 30 June 2021:

Cochrane Scholarships for university courses	7,000
Jeston University Scholarships	30,000
Haberdashers' University Bursaries & Arts Bursaries	33,000
Throckmorton Trotman Educational Fund-Trotman Senior Exhibitions	1,000
	<u>71,000</u>

#### Total grants awarded, in the year ended 30 June 2021

252,598

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS 30 June 2021

### 4 Tangible assets

#### Schools land & buildings

Land at Aldersey School:

Book value as at 1 July 2020 and 30 June 2021

	2021 £	2020 £
	66,807	66,807

### 5 Investments

- (a) Investment Property
- (b) Haberdashers' Charities Investment Pool
- (c) Common Investment Funds
- (d) Diversified Property Fund for Charities
- (e) Property Income Trust for Charities

	2021 £	2020 £
(a) Investment Property	8,000	8,000
(b) Haberdashers' Charities Investment Pool	15,023,784	12,707,418
(c) Common Investment Funds	629,975	565,248
(d) Diversified Property Fund for Charities	231,173	213,376
(e) Property Income Trust for Charities	153,647	118,724
	16,046,579	13,612,766

#### (a) Investment Property

	8,000	8,000
--	-------	-------

#### (b) Haberdashers' Charities Investment Pool

Market value as at 1 July

Additions

Unrealised gain

Market value as at 30 June

	12,707,418	12,449,045
	-	86,000
	2,316,366	172,373
	15,023,784	12,707,418

#### (c) Common Investment Funds

Market value as at 1 July

Unrealised gain

Market value as at 30 June

	565,248	547,399
	64,727	17,849
	629,975	565,248

#### (d) Diversified Property Fund for Charities

Market Value as at 1 July (included in current asset investments)

Unrealised gain/(loss)

Market Value as at 30 June

	213,376	214,578
	17,797	(1,202)
	231,173	213,376

#### (e) Property Income Trust for Charities

Market value as at 1 July

Additions

Reduction in investment cash

Unrealised gain/(loss)

Market value as at 30 June

	118,724	130,904
	30,000	-
	-	(4,000)
	4,923	(8,180)
	153,647	118,724

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS 30 June 2021

### 6 Movement on unapplied total return

Unapplied total return is calculated relative to the value of the trust for investment at 30 June 2009 (base value), that being the base date determined by the Trustee as appropriate for the Charity's endowment fund. No endowment gifts (2020: £86,000) were received during the year.

	Trust for investment £	Unapplied Total Return £	Total 2021 £	Total 2020 £
Trust for investment at 1 July 2020	7,030,649	5,676,769	12,707,418	12,499,045
Investment returns:				
Investment income	-	322,906	322,906	322,870
Realised and unrealised investment gains	-	2,316,366	2,316,366	172,373
Transfer to trust for application	-	(322,906)	(322,906)	(322,870)
Additional funds invested	-	-	-	86,000
<b>Trust for investment at 30 June 2021</b>	<b>7,030,649</b>	<b>7,993,135</b>	<b>15,023,784</b>	<b>12,707,418</b>
Represented by:				
Investment in Charities Investment Pool (Total Return)			15,023,784	12,707,418

7 Debtors	2021 £	2020 £
Accrued interest	3,680	3,552
Tax recoverable on donations and investment income	113	75
Other debtors	30	33
Donations	1,012	2,150
	<b>4,834</b>	<b>5,811</b>

8 Creditors: amounts falling due within one year	2021 £	2020 £
Salaries and service charges	13,968	23,603
Audit fees	3,972	3,763
Grants payable	92,100	108,000
Other creditors	10,137	3,582
	<b>120,178</b>	<b>138,949</b>

9 Creditors: amounts falling due after more than one year	2021 £	2020 £
Interest-free loans from Old Monmothian Club	10,000	10,000
Grants payable	77,000	72,000
	<b>87,000</b>	<b>82,000</b>

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS

30 June 2021

### 10 Analysis of net assets between funds

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Balance 30 June 2021 £
Tangible asset	-	-	66,807	66,807
Fixed asset investments	-	384,820	15,661,759	16,046,579
Net current assets	212	472,618	(5,481)	467,349
Creditors due in more than one year	-	(87,000)	-	(87,000)
	212	770,438	15,723,085	16,493,735

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS 30 June 2021

### 11 The Funds of the Charity

	Balance 1 July 2020 £	Incoming resources £	Resources expended £	Transfers between funds £	Other gains & losses £	Balance 30 June 2021 £
<b>Unrestricted general fund</b>	212	-	-	-	-	212
<b>Restricted funds</b>						
Thomas Aldersey School Fund	15,746	2,001	(12,312)	13,014	194	18,643
Thomas Aldersey Repair Fund	3,548	-	-	350	-	3,898
Thomas Arno Fund	65,598	43	(39,953)	61,184	-	86,872
Dyson Memorial Fund	14,334	431	(5,248)	5,235	-	14,751
Ezra Fund	5,034	727	(541)	5,310	46	10,576
Further & Higher Education Fund	222,627	31,710	(69,781)	49,247	15,291	249,094
F Pritchard Fund	8,215	262	(2,245)	2,242	342	8,816
Haberdashers' St Catherine Foundation	109,152	2,320	(38,756)	60,012	2,017	134,745
Monmouth School Scholarships Fund	101,074	788	(30,750)	49,722	388	121,222
Prize Fund	15,677	12,549	(11,679)	-	-	16,547
Pamela K Pye Fund	3,801	7,356	(7,056)	-	-	4,101
Schrodgers & Haberdashers Educational Foundation	20,255	422	(21,702)	21,451	194	20,621
Travel Scholarships Fund	18,310	277	(16,621)	17,704	233	19,904
Throckmorton Trotman Fund	52,103	2,923	(35,829)	37,435	4,015	60,647
	655,476	61,809	(292,473)	322,906	22,720	770,438
<b>Expendable endowment funds</b>						
Dyson Memorial Fund	206,012	5,235	-	(5,235)	37,553	243,565
Ezra Fund	209,075	5,310	-	(5,310)	38,091	247,165
Haberdashers' St Catherine Foundation	2,361,673	60,012	-	(60,012)	430,496	2,792,169
Monmouth School Scholarships Fund	486,058	12,498	-	(12,498)	89,655	575,713
Schrodgers & Haberdashers Educational Foundation	844,172	21,451	-	(21,451)	153,880	998,052
	4,106,989	104,506	-	(104,506)	749,674	4,856,665
<b>Permanent endowment funds</b>						
Thomas Aldersey School Fund	600,730	13,364	-	(13,364)	95,867	696,597
Thomas Arno Fund	2,407,781	61,184	-	(61,164)	438,901	2,846,682
Further & Higher Education Fund	1,938,029	49,247	-	(49,247)	353,273	2,291,302
F Pritchard Fund	88,234	2,242	-	(2,242)	16,083	104,317
Monmouth School Scholarships Fund	1,464,899	37,224	-	(37,224)	267,028	1,731,927
Prize Fund	354,492	-	-	-	40,846	395,338
Pamela K Pye Fund	210,944	-	-	-	23,881	234,825
Travel Scholarships Fund	696,693	17,704	-	(17,704)	126,997	823,689
Throckmorton Trotman Fund	1,473,201	37,435	-	(37,435)	268,542	1,741,743
	9,235,003	218,400	-	(218,400)	1,631,419	10,866,422
<b>Total endowment funds</b>	13,341,992	322,906	-	(322,906)	2,381,093	15,723,085
<b>Total Charity Funds</b>	13,997,680	384,715	(292,473)	-	2,403,813	16,493,735

The Trustee's Report provides details of the purpose and restrictions applicable to the Foundation's restricted funds. In the year £322,906 was transferred from endowment funds to income (2020: £322,870). This reflects a transfer from the unapplied total return to meet grants and other costs of the Foundation (see note 6 for further details).

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS

30 June 2021

### 12 Related Parties

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is named as the permanent Trustee of the Haberdashers' Educational Foundation.

The Foundation's endowment funds are invested predominantly in the Haberdashers' Charities Investment Pool, a common investment fund also having the Haberdashers' Company as Trustee. Distributions of £322,906 (2020: £322,870) were received from the Investment Pool in the year; unrealised gains of £2,316,366 (2020: £172,373) were generated by the Foundation's investment in the Pool.

The Trustee was reimbursed for certain expenses incurred in the year on behalf of the Foundations (see note 2 for details for both the current and prior year of salaries and service charges recharged by the Trustee). Neither the Trustee nor any member of its governing body, the Court of Wardens, otherwise receives any remuneration or benefits from the Foundation (2020: £Nil).

A donation of £20,000 (2020: £59,000) was received from The Haberdashers' Foundation in the year. This was given to support its further and higher education programme (scholarships).

There were no other transactions with related parties in the year (2020: £Nil).

### 13 Statement of Financial Activities for the year ended 30 June 2020

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Total 2020 £
<b>Income and endowments from:</b>				
Donations and legacies	-	68,622	-	68,622
Investments:				
Haberdashers' Charities Investment Pool	-	-	322,870	322,870
Other investment income	-	18,118	-	18,118
Rent receivable	-	30	-	30
Interest receivable	-	20,757	-	20,757
	-	107,527	322,870	430,397
<b>Expenditure on:</b>				
Expenditure on charitable activities:				
Education & training- Grants awarded	-	293,827	-	293,827
	-	293,827	-	293,827
<b>Net gains on investments</b>	-	(9,381)	190,223	180,842
<b>Net income/(expenditure)</b>	-	(195,681)	513,093	317,412
Transfer between funds		322,870	(322,870)	-
<b>Net movement in funds</b>	-	127,189	190,223	317,412
<b>Reconciliation of Funds:</b>				
Fund balances brought forward	212	528,287	13,151,769	13,680,268
<b>Fund balances carried forward</b>	212	655,476	13,341,992	13,997,680

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS 30 June 2021

### 14 Analysis of expenditure for the year ended 30 June 2020

	Charitable Activities £	Support Cost £	Governance Cost £	Total 2020 £
<b>Costs directly allocated to charitable activities</b>				
Grants awarded	258,840	-	-	258,840
School buildings insurance	827	-	-	827
<b>Support costs and overheads allocated direct:</b>				
Legal fees	-	-	-	-
Audit fee	-	-	5,749	5,749
Other administration costs	-	134	-	134
<b>allocated on the basis of staff time:</b>				
Salaries	-	21,027	3,395	24,422
Service charges	-	3,319	536	3,855
	<u>259,667</u>	<u>24,480</u>	<u>9,680</u>	<u>293,827</u>
<b>Allocation of support costs to charitable activities</b>	<b>Direct cost £</b>	<b>Support cost £</b>	<b>Governance costs £</b>	<b>Total 2020 £</b>
<b>allocated on the basis of relative direct cost:</b>				
Grants - education and training	258,840	24,403	9,649	292,892
School buildings insurance	827	77	31	935
	<u>259,667</u>	<u>24,480</u>	<u>9,680</u>	<u>293,827</u>

### 15 Movement on unapplied total return for the year ended 30 June 2020

	Trust for investment £	Unapplied Total Return £	Total 2020 £
Trust for investment at 1 July 2019	6,944,649	5,504,396	12,499,045
Investment returns:			
Investment income	-	322,870	322,870
Realised and unrealised investment gains	-	172,373	172,373
Transfer to trust for application	-	(322,870)	(322,870)
Additional funds invested	86,000	-	86,000
<b>Trust for investment at 30 June 2020</b>	<u>7,030,649</u>	<u>5,676,769</u>	<u>12,707,418</u>
Represented by:			
Investment in Charities Investment Pool (Total Return)			<u>12,707,418</u>

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS 30 June 2021

### 16 The Funds of the Charity for the year ended 30 June 2020

	Balance 1 July 2019 £	Incoming resources £	Resources expended £	Transfers between funds £	Other gains & losses £	Balance 30 June 2020 £
<b>Unrestricted general fund</b>	212	-	-	-	-	212
<b>Restricted funds</b>						
Thomas Aldersey School Fund	15,277	2,102	(14,291)	13,018	(360)	15,746
Thomas Aldersey Repair Fund	3,198	-	-	350	-	3,548
Thomas Arno Fund	50,171	302	(46,077)	61,202	-	65,598
Dyson Memorial Fund	9,170	5,457	(5,529)	5,236	-	14,334
Ezra Fund	2,690	685	(3,445)	5,180	(76)	5,034
Further & Higher Education Fund	164,941	71,024	(59,168)	49,261	(3,481)	222,627
F Pritchard Fund	8,043	272	(2,227)	2,243	(114)	8,215
Haberdashers' St Catherine Foundation	95,756	2,740	(46,070)	60,030	(3,304)	109,152
Monmouth School Scholarships Fund	82,861	1,072	(31,961)	49,737	(635)	101,074
Prize Fund	14,516	12,551	(11,390)	-	-	15,677
Pamela K Pye Fund	3,446	7381	(7,026)	-	-	3,801
Schroders & Haberdashers Educational Foundation	18,824	520	(20,175)	21,458	(371)	20,255
Travel Scholarships Fund	13,313	345	(12,675)	17,709	(381)	18,310
Throckmorton Trotman Fund	46,081	3,026	(33,792)	37,446	(658)	52,103
	528,287	107,527	(293,827)	322,870	(9,381)	655,476
<b>Expendable endowment funds</b>						
Dyson Memorial Fund	203,217	5,236	-	(5,236)	2,795	206,012
Ezra Fund	206,240	5,180	-	(5,180)	2,835	209,075
Haberdashers' St Catherine Foundation	2,330,480	60,030	-	(60,030)	31,193	2,361,673
Monmouth School Scholarships Fund	479,760	12,502	-	(12,502)	6,296	486,058
Schroders & Haberdashers Educational Foundation	833,330	21,458	-	(21,458)	10,842	844,172
	4,053,027	104,406	-	(104,406)	53,962	4,106,989
<b>Permanent endowment funds</b>						
Thomas Aldersey School Fund	593,596	13,368	-	(13,368)	7,134	600,730
Thomas Arno Fund	2,375,120	61,202	-	(61,202)	32,681	2,407,781
Further & Higher Education Fund	1,911,740	49,261	-	(49,261)	26,289	1,938,029
F Pritchard Fund	87,037	2,243	-	(2,243)	1,197	88,234
Monmouth School Scholarships Fund	1,441,907	37,235	-	(37,235)	22,992	1,464,899
Prize Fund	343,228	-	-	-	11,264	354,492
Pamela K Pye Fund	204,359	-	-	-	6,585	210,944
Travel Scholarships Fund	687,767	17,709	-	(17,709)	8,926	696,693
Throckmorton Trotman Fund	1,453,988	37,446	-	(37,446)	19,213	1,473,201
	9,098,742	218,464	-	(218,464)	136,261	9,235,003
<b>Total endowment funds</b>	13,151,769	322,870	-	(322,870)	190,223	13,341,992
<b>Total Charity Funds</b>	13,680,268	430,397	(293,827)	-	180,841	13,997,680

# THE HABERDASHERS' EDUCATIONAL FOUNDATION

## NOTES TO THE ACCOUNTS

30 June 2021

### 17 Analysis of net assets between funds for the year ended 30 June 2020

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Balance 30 June 2020 £
Tangible asset	-	-	66,807	66,807
Fixed asset investments	-	332,100	13,280,666	13,612,766
Net current assets	212	405,376	(5,481)	400,107
Creditors due in more than one year	-	(82,000)	-	(82,000)
	212	655,476	13,341,992	13,997,680

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## TRUSTEE'S REPORT 30 June 2021

The information on pages 1 to 6 forms part of this report.

### Objects

The object of the Foundation is to further the religious and other charitable work of the Church of England.

### Reserves policy

The Trustee's reserve policy is to retain sufficient general reserves to cover annual payments and those to the Dioceses of London and Southwark. The actual level of general reserves at 30 June 2021 was £78,080 (2020: £59,948).

The Foundation also has a permanent endowment fund. The value of the fund at 30 June 2020 was £1,635,430 (2020: £1,383,280).

### Objective and Activities

As Patron of eight Church of England livings, the Company, as Trustee, makes regular grants to the parishes concerned. In order to develop a close relationship with the livings, a Company member has been appointed as contact for each parish and the Charities Committee receives a report from one of the parishes at each meeting. The incumbents are also invited to the Golden Lecture each year (see below) and regular meetings are held with them, chaired by a member of the Charities Committee. Funds totalling £9,900 were directed to the eight parishes concerned in 2020/21.

Support is also channelled through the Discretionary Funds of the Bishops of London and Southwark. These funds are used to support clergy and ordinands from their dioceses who are experiencing financial hardship. The cost of this support in 2020/21 was £8,000.

Through the annual Golden Lecture, the Foundation aims to give well-qualified speakers the opportunity of addressing an audience on subjects of topical interest with a Christian theme. The 2021 Lecture was held virtually, and delivered by the Revd Dr Robert Reiss, Canon Emeritus of Westminster.

### Investments

The permanent endowment fund is fully invested in the Haberdashers' Charities Investment Pool and recorded an unrealised investment gain of £252,151 (2020: £18,764).

### Financial

The Foundation's income was £45,241 (2020: £45,407). Charitable expenditure was £27,110 (2020: £27,063). The net increase in unrestricted reserves in the year, after investment gains and transfers between funds, was £18,132 (2020: £18,344).

For and on behalf of the Trustee



Master



Chairman, Charities Committee

# **THE HABERDASHERS' CHRISTIAN FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

**30 June 2021**

### **Opinion**

We have audited the financial statements of The Haberdashers' Christian Foundation for the year ended 30 June 2021 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation's affairs as at 30 June 2021 and of its incoming resources and application of resources 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 opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's 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 Foundation'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 Trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustee is 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

# **THE HABERDASHERS' CHRISTIAN FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

**30 June 2021**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Foundation has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the Trustee**

As explained more fully in the Trustee's Responsibilities Statement set out on page 3, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the Foundation'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 Trustee either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the Foundation's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Foundation by discussions with informed management and updating our understanding of the sector in which the Foundation operates.

Laws and regulations of direct significance in the context of the Foundation include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Foundation's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Foundation's policies

## THE HABERDASHERS' CHRISTIAN FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE

30 June 2021

and procedures for compliance with laws and regulations with members of management responsible for compliance.

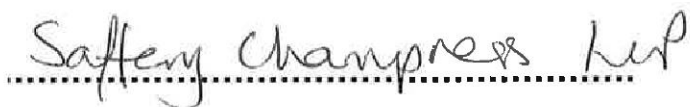
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

#### Use of our report

This report is made solely to the Foundation's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to it 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 Foundation and the Trustee, for our audit work, for this report, or for the opinions we have formed.



Saffery Champness LLP

Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 27 January 2022

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

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 30 June 2021

	Note	Unrestricted General Fund £	Permanent Endowment Fund £	Total 2021 £	Total 2020 £
<b>Income and endowments from:</b>					
Donations from the Trustee		10,000	-	10,000	10,000
Investments:					
Haberdashers' Charities Investment Pool		-	35,150	35,150	35,161
Interest receivable			91	91	246
		<u>10,000</u>	<u>35,241</u>	<u>45,241</u>	<u>45,407</u>
<b>Expenditure on:</b>					
Charitable activities:					
Grants awarded	2	27,110	-	27,110	27,063
		<u>27,110</u>	<u>-</u>	<u>27,110</u>	<u>27,063</u>
<b>Net gains on investments</b>	4	-	252,151	252,151	18,764
<b>Net (expenditure)/income</b>		(17,110)	287,392	270,282	37,108
Transfer between funds	8	35,242	(35,242)	-	-
<b>Net movement in funds</b>		18,132	252,150	270,282	37,108
<b>Reconciliation of Funds:</b>					
Fund balances brought forward		59,948	1,383,280	1,443,228	1,406,120
<b>Fund balances carried forward</b>	8	<u>78,080</u>	<u>1,635,430</u>	<u>1,713,510</u>	<u>1,443,228</u>

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## BALANCE SHEET 30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	4	<u>1,635,431</u>	<u>1,383,280</u>
<b>Current assets</b>			
Debtors	6	7	8
Investments		59,400	19,400
Cash at bank		20,774	43,391
		<u>80,181</u>	<u>62,799</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	7	(2,102)	(2,851)
<b>Net current assets less current liabilities</b>		<u>78,079</u>	<u>59,948</u>
<b>Total net assets</b>		<u>1,713,510</u>	<u>1,443,228</u>
<b>The Funds of the Charity:</b>			
Permanent endowment fund	8	1,635,430	1,383,280
Unrestricted general fund	8	78,080	59,948
<b>Total Charity Funds</b>		<u>1,713,510</u>	<u>1,443,228</u>

The financial statements on pages 34 to 40 were approved and authorised for issue on behalf of the Trustee on 27 January 2022

Signed on behalf of the Trustee



Master



Chairman, Charities Committee

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 1 Accounting policies

Accounting policies are as listed for all Haberdashers' Charitable Foundations on pages 7 to 9.

2 Analysis of charitable expenditure	Charitable Activities £	Governance Cost £	Total 2021 £	Total 2020 £
<b>Costs directly allocated to activities</b>				
Grants awarded, listed below	23,500	-	23,500	23,500
<b>Support costs and overheads</b>				
allocated direct:				
Bank charges	30	-	30	15
Audit fee	-	646	646	597
allocated on the basis of staff time:				
Salaries	2,208	360	2,568	2,549
Service charges	314	51	365	402
	<u>26,053</u>	<u>1,058</u>	<u>27,110</u>	<u>27,063</u>

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its Foundations are paid by the Haberdashers Operating Company and allocated to the various entities on the basis of time spent. The average number of employees in the year was 2 (2020:2). Neither of the employees received employment benefits for services to the charity exceeding £60,000.

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company for accommodation and office facilities provided by and shared with those companies. The service charges do not exceed the cost to those companies of providing the services.

The Trustee receives no remuneration from the Foundation and was not reimbursed for expenses except as stated above.

### 3 Analysis of grants

	2021 £
<b>For Christianity and the Church</b>	
<b>Awarded and paid in the year:</b>	
The Bishop of London's Discretionary Fund      Haberdashers' Jones Grants for Clergy and Ordinands	4,000
The Bishop of Southwark's Discretionary Fund      Haberdashers' Jones Grants for Clergy and Ordinands	4,000
10 grants to institutions up to £2,000 each	9,900
2 grants to individuals	1,100
<b>Total - Christianity</b>	<u>19,000</u>
<b>For Welfare:</b>	
6 grants to institutions up to £2,000 each	4,500
<b>Total - Welfare</b>	<u>4,500</u>
<b>Total grants awarded and paid in the year ended 30 June 2021</b>	<u><b>23,500</b></u>

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 4 Investments

Haberdashers' Charities Investment Pool	2021 £	2020 £
Market value as at 1 July	1,383,280	1,364,516
Unrealised gain	252,151	18,764
Market value as at 30 June	<u>1,635,431</u>	<u>1,383,280</u>

### 5 Movement on unapplied total return

Unapplied total return is calculated relative to the value of the trust for investment at 30 June 2009 (base value), that being the base date determined by the Trustee as appropriate for the Charity's endowment fund. No new endowment gifts were received during the year.

	Trust for investment £	Unapplied Total Return £	Total 2021 £	Total 2020 £
Trust for investment at 1 July 2020	754,029	629,251	1,383,280	1,364,516
Investment returns:				
Investment income	-	35,242	35,242	35,161
Realised and unrealised investment gains	-	252,151	252,151	18,764
Transfer to trust for application	-	(35,242)	(35,242)	(35,161)
<b>Trust for investment at 30 June 2021</b>	<u>754,029</u>	<u>881,402</u>	<u>1,635,431</u>	<u>1,383,280</u>
Represented by:				
Investment in Charities Investment Pool (Total Return)			<u>1,635,431</u>	<u>1,383,280</u>

### 6 Debtors

	2021 £	2020 £
Accrued interest	7	8
	<u>7</u>	<u>8</u>

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

	2021 £	2020 £
Salaries and service charges	1,456	2,461
Other creditors	646	390
	<u>2,102</u>	<u>2,851</u>

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

8 The Funds of the Charity	Balance 1 July 2020 £	Incoming resources £	Resources expended £	Other gains & losses £	Transfer between funds £	Balance 30 June 2021 £
Unrestricted general fund	59,948	10,000	(27,110)	-	35,242	78,080
Permanent endowment fund	1,383,280	35,241	-	252,151	(35,242)	1,635,430
	<u>1,443,228</u>	<u>45,241</u>	<u>(27,110)</u>	<u>252,151</u>	<u>-</u>	<u>1,713,510</u>

The permanent endowment fund is represented by fixed asset investments at 30 June 2021.

In the year £35,242 was transferred from the endowment fund to income (2020: £35,161). This reflects a transfer from unapplied total return to meet grants and other costs of the Foundation (see note 5 for further details of the movement on unapplied total return).

## 9 Related Parties

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is named as the permanent Trustee of the Haberdashers' Christian Foundation.

The Foundation's endowment funds are invested predominantly in the Haberdashers' Charities Investment Pool, a common investment fund also having the Haberdashers' Company as Trustee. Distributions of £35,150 (2020: £35,161) were received from the Investment Pool in the year; unrealised gains of £252,151 (2020: £18,764) were generated by the Foundation's investment in the Pool.

The Trustee was reimbursed for certain expenses incurred in the year on behalf of the Foundations (see note 2 for details for both the current and prior year). Neither the Trustee nor any member of its governing body, the Court of Wardens, otherwise receives any remuneration or benefits from the Foundation (2020: £Nil).

A donation of £10,000 (2020: £10,000) was received from the Trustee in the year to help support the purchase of Bibles for distribution to pupils at the Company's schools.

There were no other transactions with related parties in the year (2020: £Nil).

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 10 Statement of Financial Activities for the year ended 30 June 2020

	Unrestricted General Fund £	Permanent Endowment Fund £	Total 2020 £
<b>Income and endowments from:</b>			
Donations from the Trustee	10,000	-	10,000
Investments:			
Haberdashers' Charities Investment Pool	-	35,161	35,161
Interest receivable	246	-	246
	<u>10,246</u>	<u>35,161</u>	<u>45,407</u>
<b>Expenditure on:</b>			
Charitable activities:			
Grants awarded	27,063	-	27,063
	<u>27,063</u>	<u>-</u>	<u>27,063</u>
<b>Net gains on investments</b>	<u>-</u>	<u>18,764</u>	<u>18,764</u>
<b>Net income/(expenditure)</b>	<u>(16,817)</u>	<u>53,925</u>	<u>37,108</u>
Transfer between funds	<u>35,161</u>	<u>(35,161)</u>	<u>-</u>
<b>Net movement in funds</b>	<u>18,344</u>	<u>18,764</u>	<u>37,108</u>
<b>Reconciliation of Funds:</b>			
Fund balances brought forward	41,604	1,364,516	1,406,120
<b>Fund balances carried forward</b>	<u>59,948</u>	<u>1,383,280</u>	<u>1,443,228</u>

# THE HABERDASHERS' CHRISTIAN FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 11 Analysis of charitable expenditure for the year ended 30 June 2020

	Charitable Activities £	Governance Cost £	Total 2020 £
<b>Costs directly allocated to activities</b>			
Grants awarded, listed below	23,500	-	23,500
<b>Support costs and overheads</b>			
allocated direct:			
Bank charges	15	-	15
Audit fee	-	597	597
Other professional fees	-	-	-
allocated on the basis of staff time:			
Salaries	2,195	354	2,549
Service charges	347	55	402
	<u>26,057</u>	<u>1,006</u>	<u>27,063</u>

### 12 Movement on unapplied total return for the year ended 30 June 2020

	Trust for investment £	Unapplied Total Return £	Total 2020 £
Trust for investment at 1 July 2019	754,029	610,487	1,364,516
Investment returns:			
Investment income	-	35,161	35,161
Realised and unrealised investment gains	-	18,764	18,764
Transfer to trust for application	-	(35,161)	(35,161)
Additional funds invested	-	-	-
<b>Trust for investment at 30 June 2020</b>	<u>754,029</u>	<u>629,251</u>	<u>1,383,280</u>
Represented by:			
Investment in Charities Investment Pool (Total Return)			<u>1,383,280</u>

### 13 The Funds of the Charity for the year ended 30 June 2020

	Balance 1 July 2019 £	Incoming resources £	Resources expended £	Other gains & losses £	Transfer between funds £	Balance 30 June 2020 £
Unrestricted general fund	41,604	10,246	(27,063)	-	35,161	59,948
Permanent endowment fund	1,364,516	35,161	-	18,764	(35,161)	1,383,280
	<u>1,406,120</u>	<u>45,407</u>	<u>(27,063)</u>	<u>18,764</u>	<u>-</u>	<u>1,443,228</u>

# **THE HABERDASHERS' BENEVOLENT FOUNDATION**

## **TRUSTEE'S REPORT**

**Year ended 30 June 2021**

The information on pages 1 to 6 forms part of this report.

### **Objects**

The primary object of the Foundation is the relief of persons who are in need, hardship or distress. In the Foundation's governing scheme up to 4% of income may be used to help persons in need to set up in business and up to 19% of income may be used for any charitable purposes at the Trustee's discretion.

For grants to individuals, preference should be given to freemen of the Haberdashers' Company and their dependants.

### **Reserves policy**

Reserves have continued to fall below the Trustee's policy of retaining sufficient unrestricted funds to cover grants payable in the following year. Expenditure will be adjusted going forward to allow reserves to recover over time. At 30 June 2021, the unrestricted fund reserve was £111,263 (2020: £63,659).

### **Hobby Fund**

The restricted Hobby fund was created in the former Haberdashers' Eleemosynary Charity, arising from the Charity of John Hobby. Under a Scheme of the Charity Commission made in 1984, the fund is required to accumulate until 2051, when it will be added to the Foundation's permanent endowment fund.

### **Expendable Endowment Fund**

The Trustee has the power to convert expendable endowment into income but prefers to invest it in order to create income for annual charitable grants.

### **Investment property**

The investment assets acquired by the Foundation in 2002 included freehold reversionary interests in several residential properties. The main interests have all been sold and the value of remaining minor interests is trivial.

### **Investments**

The main investment of the Foundation's endowment funds is in the Haberdashers' Charities Investment Pool. The unrealised gain on revaluation at 30 June 2021 was £3,335,118 (2020: £248,184).

The restricted Hobby fund is invested in accumulation units of the Sarasin Alpha Fund, a common investment fund.

### **Activities**

Most of the Foundation's grants are to charities whose work fits within specific focus. The focus areas are reviewed regularly with the last such review having taken place in February 2019 as part of the strategy review.

The Foundation aims to help the more vulnerable and marginalised members of society, including the unemployed, the homeless, prisoners or ex-offenders and those excluded or disadvantaged by virtue of disability, illness or financial hardship. There is a strong emphasis on education and training (particularly as a means to employment) as well as welfare.

In general, the Foundation supports charities that are located in the vicinity of our schools and church patronages, as well as the City of London. Major grants (grants up to £50,000) are considered by the Charities Committee which meets on four occasions a year. Small grants (up to £2,000) are considered by the Chairman of the Charities Committee between meetings up to a total of around 5% of total available funds in any one year. This amount is set annually by the Charities Committee.

The Foundation's main focus is on grants to charitable organisations. Grants to individuals in need are very limited in number and value. Qualifying applicants have to complete an application form showing they are in financial need. The Company is Patron of the William Jones Almshouse Charity and gifts are made to residents of its Almshouse in Monmouth at Christmas.

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## TRUSTEE'S REPORT

Year ended 30 June 2021

Details of grants awarded during the year are listed at note 3 to the accounts.

### Review of achievements, performance and strategy

The Foundation has supported charities across a wide range during the year and endeavours to maintain close links with charities to which it has given more substantial funding or has a long history of support.

Comprehensive evaluation reports are requested when large grants are made, to ensure that the purpose of the donation has been achieved, that best practice is encouraged and that replicable ideas are shared when appropriate.

In line with the strategy and grants review undertaken in February 2019 (and coming into effect from 1 July 2019), the Charities Committee focussed on making fewer, larger grants. The Small Grants programme awarded 15 grants of up to £2,000 each.

The two major grants awarded in 2020/21 were:

- £115,000 to Haberdashers' Abraham Darby Academy for the retention of ADAPT staff – the school's successful alternative provision facility for disadvantaged pupils and pupils at risk of permanent exclusion. The facility provides intensive support to pupils who would not be able to cope with the expectations of a mainstream setting ensuring they remain in education and secure college places.
- £45,000 to XLP, to support their Exclusion Reduction Programme in Hackney, Lewisham, Southwark and the City of London.

Further awards were made to charities whose work aligns itself to the Haberdashers' ancient art:

- A grant of £20,000 to the Royal College of Art for the Royal College of Art/Haberdashers' Textile Scholarship.
- A grant of £10,000 was made to Cockpit Arts, a charity providing space and business support to designer makers, for textile awards.
- A grant of £10,000 was made to The Royal School of Needlework for the Future Tutors programme and Haberdasher prizes for embroidery and embellishment.
- A grant of £10,000 was made to London College of Fashion for the inaugural Haberdashers'/LCF Fashion Scholarship

The Trustee supports a number of initiatives that help young people to start their own businesses including:

- A grant of £10,000 to the University of East London which funds the Haberdashers' Entrepreneurs Awards.

The Company, as Trustee, maintains a manual for this Foundation and the other Haberdashers' Charitable Foundations, to ensure that the historic objects of the original donors are not lost sight of, whilst at the same time channelling funds effectively to meet appropriate needs in today's society.

### Financial

The Foundation's income was £468,102 (2020: £470,278), charitable expenditure was £420,586 (2020: £497,103). The net increase in unrestricted and restricted reserves in the year, after investment gains and transfers between funds, was £69,698 (2020: net decrease £19,819).

The trustee considers that the Foundation remains well invested and well placed to continue supporting the selected focus areas.

For and on behalf of the Trustee



Master



Chairman, Charities Committee

## **THE HABERDASHERS' BENEVOLENT FOUNDATION INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

### **Opinion**

We have audited the financial statements of The Haberdashers' Benevolent Foundation for the year ended 30 June 2021 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation's affairs as at 30 June 2021 and of its incoming resources and application of resources 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 opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's 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 Foundation'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 Trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustee is 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

## **THE HABERDASHERS' BENEVOLENT FOUNDATION INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Foundation has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the Trustee**

As explained more fully in the Trustee's Responsibilities Statement set out on page 3, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the Foundation'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 Trustee either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the Foundation's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Foundation by discussions with informed management and updating our understanding of the sector in which the Foundation operates.

Laws and regulations of direct significance in the context of the Foundation include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Foundation's records of breaches of laws and regulations, minutes of meetings and

## THE HABERDASHERS' BENEVOLENT FOUNDATION INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE

correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Foundation's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### Use of our report

This report is made solely to the Foundation's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to it 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 Foundation and the Trustee, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Saffery Champness LLP". The signature is written over a horizontal dotted line.

Saffery Champness LLP

Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 27 January 2022.

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

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 30 June 2021

		Unrestricted				
		General	Restricted	Endowment	Total	Total
	Note	Fund	Funds	Funds	2021	2020
		£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and legacies		3,090	-	-	3,090	3,531
Investments:						
Haberdashers' Charities Investment Pool		-	-	464,922	464,922	465,060
Interest receivable		90	-	-	90	1,687
		<u>3,180</u>	<u>-</u>	<u>464,922</u>	<u>468,102</u>	<u>470,278</u>
<b>Expenditure on:</b>						
Charitable activities:						
Grants awarded	2	420,586	-	-	420,586	497,103
		<u>420,586</u>	<u>-</u>	<u>-</u>	<u>420,586</u>	<u>497,103</u>
<b>Net gains on investments</b>	4	88	22,094	3,335,118	3,357,300	255,190
<b>Net (expenditure)/income</b>		(417,318)	22,094	3,800,040	3,404,816	228,365
Transfer between funds	10	464,922	-	(464,922)	-	-
Net movement in funds		47,604	22,094	3,335,118	3,404,816	228,365
<b>Reconciliation of Funds:</b>						
Fund balances brought forward		63,659	149,526	18,296,597	18,509,782	18,281,417
<b>Fund balances carried forward</b>	10	<u>111,263</u>	<u>171,620</u>	<u>21,631,715</u>	<u>21,914,598</u>	<u>18,509,782</u>

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## BALANCE SHEET 30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible asset		380	380
Investments	4	21,900,688	18,452,388
		<u>21,901,068</u>	<u>18,452,768</u>
<b>Current assets</b>			
Debtors	6	2,806	2,506
Cash at bank		97,642	119,318
		<u>100,448</u>	<u>121,823</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	7	(81,918)	(60,809)
		<u>18,530</u>	<u>61,014</u>
<b>Net current assets</b>			
<b>Total assets less current liabilities</b>		21,919,598	18,513,782
Creditors: amounts falling due after more than one year	8	(5,000)	(4,000)
<b>Total net assets</b>		<u>21,914,598</u>	<u>18,509,782</u>
<b>The Funds of the Charity:</b>			
Endowment funds	10	21,631,715	18,296,597
Restricted fund	10	171,620	149,526
Unrestricted general fund	10	111,263	63,659
<b>Total Charity Funds</b>		<u>21,914,598</u>	<u>18,509,782</u>

The financial statements on pages 46 to 55 were approved and authorised for issue on behalf of the Trustee on 27 January 2022

Signed on behalf of the Trustee



Master



Chairman, Charities Committee

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 1 Accounting policies

Accounting policies are as listed for all Haberdashers' Charitable Foundations on pages 7 to 9.

### 2 Analysis of expenditure

	Direct Charitable Expenditure	Charitable Support Costs	Governance Costs	Total 2021	Total 2020
	£	£	£	£	£
<b>Costs directly allocated to activities</b>					
Grants awarded (listed below)	371,805	-	-	371,805	449,944
<b>Support costs and overheads</b>					
allocated direct:					
Audit fee	-	-	8,547	8,547	7,890
Other professional fees	-	-	1,324	1,324	-
Other administration costs	-	114	-	114	68
Salaries	-	29,209	4,755	33,964	33,857
Service charges	-	4,155	676	4,831	5,344
	<b>371,805</b>	<b>33,478</b>	<b>15,303</b>	<b>420,586</b>	<b>497,103</b>
<b>Grants awarded:</b>					
Education & training	200,875	18,087	8,269	227,231	258,084
Welfare	167,930	15,121	6,912	189,963	234,600
Health care	1,500	135	61	1,696	1,657
Christianity & the Church	1,500	135	61	1,696	2,762
<b>Total grants</b>	<b>371,805</b>	<b>33,478</b>	<b>15,303</b>	<b>420,586</b>	<b>497,103</b>

Under joint contracts of employment and a paymaster arrangement, salary costs for the Haberdashers' Company and its Foundations are paid by the Haberdashers Operating Company and allocated to the various entities on the basis of time spent. The average number of employees in the year was 2 (2020: 2). Neither of the employees received employment benefits for services to the charity exceeding £60,000.

Service charges are paid by the Foundation to the Haberdashers' Company and the Haberdashers Operating Company for accommodation and office facilities provided by and shared with those companies. The service charges do not exceed the cost to those companies of providing the services.

The Trustee receives no remuneration from the Foundation and was not reimbursed for expenses except as noted above.

NOTES TO THE ACCOUNTS  
Year ended 30 June 2021

		2021
		£
<b>For Welfare:</b>		
Haberdashers' Adams'	Whole school public address system	10,000
Bipolar UK	Donation in respect of the Master's allocation	5,000
Foundation for Change	Training programme for ex-offenders, homeless & unemployed	10,000
Naz Legacy Foundation	Donation in respect of Master's allocation	5,000
XLP	Major grant award-Exclusion Reduction Programme	45,000
University of East London	Continuation of the Haberdashers' Company Entrepreneur Awards	10,000
36 grants to institutions up to £2,000		53,980
2 grants to individuals up to £2,000 each		950
1 individual	Grant returned	(2,000)
Grants authorised and paid in the year		<u>137,930</u>
<b>Payable after 30 June 2021:</b>		
Guildhall School Trust		<u>30,000</u>
<b>Total - Welfare</b>		<b><u>167,930</u></b>
<b>For Healthcare:</b>		
3 grants to institutions up to £2,000		1,500
<b>Total - Healthcare</b>		<b><u>1,500</u></b>
<b>For Education &amp; Training:</b>		
Cockpit Arts	Haberdashers' textile awards	10,000
Guys, Kings & St Thomas' School of Medicine & Dentistry	Hardship fund for medical students – Jeston bursary scheme	5,000
Haberdashers' Abraham Darby	Further funding of ADAPT	115,000
King Edward's School Witley	Bridewell Fellowship bursary to enable pupils to attend the school	8,000
London College of Fashion	London College of Fashion Scholarship 2020	10,000
Royal School of Needlework	Future Tutors programme & Haberdashers' prize for Raised Embroidery & embellishment	10,000
St Barts & the Royal London School of Medicine & Dentistry	Hardship fund for medical students – Jeston bursary scheme	5,000
The Smallpiece Trust	Funding for Haberdashers' Scholarships 2021	8,800
4 grants to institutions up to £2,000 each		3,025
4 grants to individuals up to £2,000 each		<u>2,050</u>
		<u>176,875</u>
<b>Payable after 30 June 2021:</b>		
Mr Adam Khayat	2021 Haberdashers' Picken Scholarship to read Pharmacology	4,000
Royal College of Art	Haberdashers' Textile Scholarship 2021/22	<u>20,000</u>
		<u>24,000</u>
<b>Grants accounted for in previous years, payable after 30 June 2021:</b>		
Mr Jacob Bentham	2019 Haberdashers' Picken Scholarship to read Pharmacy	1,000
Miss Lucy Kinsey	2020 Haberdashers' Picken Scholarship to read Pharmacy	<u>3,000</u>
		<u>4,000</u>
<b>Total – Education &amp; Training</b>		<b><u>200,875</u></b>

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## NOTES TO THE ACCOUNTS Year ended 30 June 2021

### 3 Grants awarded (continued)

	2021
	£
For Christianity & the Church:	
3 grants to institutions up to £2,000	1,500
<b>Total – Christianity &amp; the Church</b>	<b>1,500</b>
<b>Total grants awarded in the year ended 30 June 2021</b>	<b>371,805</b>

### 4 Fixed assets - Investments

	2021	2020
	£	£
(a) Haberdashers' Charities Investment Pool	21,631,336	18,296,218
(b) Common Investment Funds	171,620	149,526
(c) Property Income Fund for Charities	97,732	6,644
	<u>21,900,688</u>	<u>18,452,388</u>
 (a) Haberdashers' Charities Investment Pool		
Market value as at 1 July	18,296,218	18,048,034
Unrealised gain	3,335,118	248,184
Market value as at 30 June	<u>21,631,336</u>	<u>18,296,218</u>
 (b) Common Investment Funds		
Market value as at 1 July	149,526	140,164
Unrealised gain	22,094	9,362
Market value as at 30 June	<u>171,620</u>	<u>149,526</u>
 (c) Property Income Trust for Charities		
Market value as at 1 July	6,644	100,000
Additions	100,000	7,000
Reduction in investment cash	(9,000)	(98,000)
Unrealised gain/(loss)	88	(2,356)
Market value as at 30 June	<u>97,732</u>	<u>6,644</u>

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## NOTES TO THE ACCOUNTS Year ended 30 June 2021

### 5 Movement on unapplied total return

Unapplied total return is calculated relative to the value of the trust for investment at 30 June 2009 (base value), that being the base date determined by the Trustee as appropriate for the Charity's endowment fund. No new endowment gifts were received during the year.

	Trust for investment £	Unapplied Total Return £	Total 2021 £	Total 2020 £
Trust for investment at 1 July 2020	9,973,293	8,322,925	18,296,219	18,048,034
Investment returns:				
Investment income	-	464,922	464,922	465,060
Realised and unrealised investment gains	-	3,335,118	3,335,118	248,185
Transfer to trust for application	-	(464,922)	(464,922)	(465,060)
<b>Trust for investment at 30 June 2021</b>	<b>9,973,293</b>	<b>11,658,043</b>	<b>21,631,336</b>	<b>18,296,219</b>
Represented by:				
Investment in Charities Investment Pool (Total Return)			21,631,336	18,296,219

### 6 Debtors

	2021 £	2020 £
Accrued interest	7	7
Tax recoverable	975	675
Other income	1,824	1,824
	<b>2,806</b>	<b>2,506</b>

### 7 Creditors – amounts falling due within one year

	2021 £	2020 £
Salaries and service charges	19,255	32,646
Grants payable	53,000	23,000
Other creditors	9,663	5,163
	<b>81,918</b>	<b>60,809</b>

### 8 Creditors – amounts falling due after more than one year

	2021 £	2020 £
Grants payable	5,000	4,000

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 9 Analysis of net assets between funds

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Balance 30 June 2021 £
Tangible asset	-	-	380	380
Fixed asset investments	97,732	171,620	21,631,336	21,900,688
Net current assets	18,531	-	(1)	18,530
Creditors due in more than one year	(5,000)	-	-	(5,000)
	<u>111,263</u>	<u>171,620</u>	<u>21,631,715</u>	<u>21,914,598</u>

### 10 Statement of Funds

	Balance 1 July 2020 £	Incoming resources £	Resources expended £	Other gains & losses £	Transfer between funds £	Balance 30 June 2021 £
Unrestricted general fund	63,659	3,180	(420,586)	88	464,922	111,263
Restricted 'Hobby' fund	149,526	-	-	22,094	-	171,620
Expendable endowment fund	2,377,031	-	-	433,287	-	2,810,318
Permanent endowment fund	15,919,566	464,922	-	2,901,831	(464,922)	18,821,396
<b>Total Charity Funds</b>	<u>18,509,782</u>	<u>468,103</u>	<u>(420,586)</u>	<u>3,357,300</u>	<u>-</u>	<u>21,914,598</u>

The Trustee's Report provides details of the purpose and restrictions applicable to the Foundation's restricted funds. In the year £464,922 was transferred from the permanent endowment fund to income (2020: £465,060). This reflects a transfer from the unapplied total return to meet grants and other costs of the Foundation (see note 5 for further details of the movement on unapplied total return).

### 11 Related Parties

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is named as the permanent Trustee of the Haberdashers' Benevolent Foundation.

The Foundation's endowment funds are invested predominantly in the Haberdashers' Charities Investment Pool, a common investment fund also having the Haberdashers' Company as Trustee. Distributions of £464,922 (2020: £465,060) were received from the Investment Pool in the year; unrealised gains of £3,335,118 (2020: £248,184) were generated by the Foundation's investment in the Pool.

The Trustee was reimbursed for certain expenses incurred in the year on behalf of the Foundations (see note 2 for details for both the current and prior year). Neither the Trustee nor any member of its governing body, the Court of Wardens, otherwise receives any remuneration or benefits from the Foundation (2020: £nil).

A donation of £1,500 (2020: £1,500) was received from Haberdashers' Aske's Charity in the year given for the relief of poor persons.

There were no other transactions with related parties in the year (2020: £nil).

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## NOTES TO THE ACCOUNTS Year ended 30 June 2021

### 12 Statement of Financial Activities for the year ended 30 June 2020

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Total 2020 £
<b>Income and endowments from:</b>				
Donations and legacies	3,531	-	-	3,531
Investments:				
Haberdashers' Charities Investment Pool	-	-	465,060	465,060
Interest receivable	1,687	-	-	1,687
	<u>5,218</u>	<u>-</u>	<u>465,060</u>	<u>470,278</u>
<b>Expenditure on:</b>				
Charitable activities:				
Grants awarded	497,103	-	-	497,103
	<u>497,103</u>	<u>-</u>	<u>-</u>	<u>497,103</u>
<b>Net gains on investments</b>	(2,356)	9,362	248,184	255,190
<b>Net income/(expenditure)</b>	(494,241)	9,362	712,244	228,365
Transfer between funds	<u>465,060</u>	<u>-</u>	<u>(465,060)</u>	<u>-</u>
<b>Net movement in funds</b>	(29,181)	9,362	248,184	228,365
<b>Reconciliation of Funds:</b>				
Fund balances brought forward	92,840	140,164	18,048,413	18,281,417
<b>Fund balances carried forward</b>	<u>63,659</u>	<u>149,526</u>	<u>18,296,597</u>	<u>18,509,782</u>

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 13 Analysis of expenditure for the year ended 30 June 2020

	Direct Charitable Expenditure	Charitable Support Costs	Governance Cost	Total 2020
	£	£	£	£
<b>Costs directly allocated to activities</b>				
Grants awarded (listed below)	449,944	-	-	449,944
<b>Support costs and overheads</b>				
allocated direct:				
Audit fee	-	-	7,890	7,890
Other administration costs	-	68	-	68
Salaries	-	29,150	4,707	33,857
Service charges	-	4,600	744	5,344
	<u>449,944</u>	<u>33,818</u>	<u>13,341</u>	<u>497,103</u>
 Grants awarded:				
Education & training	233,600	17,557	6,927	258,084
Disadvantaged people	212,344	15,960	6,296	234,600
Health care	1,500	113	44	1,657
Christianity & the Church	2,500	188	74	2,762
<b>Total grants</b>	<u>449,944</u>	<u>33,818</u>	<u>13,341</u>	<u>497,103</u>

### 14 Movement on unapplied total return for the year ended 30 June 2020

	Trust for investment	Unapplied Total Return	Total 2020
	£	£	£
Trust for investment at 1 July 2019	9,973,293	8,074,741	18,048,034
Investment returns:			
Investment income	-	465,060	465,060
Realised and unrealised investment gains	-	248,185	248,185
Transfer to trust for application	-	(465,060)	(465,060)
Additional funds invested	-	-	-
<b>Trust for investment at 30 June 2020</b>	<u>9,973,293</u>	<u>8,322,925</u>	<u>18,296,219</u>
Represented by:			
Investment in Charities Investment Pool (Total Return)			<u>18,296,219</u>

# THE HABERDASHERS' BENEVOLENT FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 15 Analysis of net assets between funds for the year ended 30 June 2020

	General Fund £	Restricted Funds £	Endowment Funds £	Balance 30 June 2020 £
Tangible asset	-	-	380	380
Fixed asset investments	6,644	149,526	18,296,219	18,452,388
Net current assets	61,015	-	(1)	61,014
Creditors due in more than one year	(4,000)	-	-	(4,000)
	63,659	149,526	18,296,597	18,509,782

### 16 Statement of Funds for the year ended 30 June 2020

	Balance 1 July 2019 £	Incoming resources £	Resources expended £	Other gains & losses £	Transfer between funds £	Balance 30 June 2020 £
Unrestricted general fund	92,840	5,213	(498,103)	(2,356)	465,060	63,659
Restricted 'Hobby' fund	140,164	-	-	9,362	-	149,526
Expendable endowment fund	2,344,788	-	-	32,243	-	2,377,031
Permanent endowment fund	15,703,625	465,060	-	215,941	(465,060)	15,919,566
<b>Total Charity Funds</b>	<b>18,281,417</b>	<b>470,278</b>	<b>(497,103)</b>	<b>255,190</b>	<b>-</b>	<b>18,509,782</b>

# THE HABERDASHERS' FOUNDATION

## TRUSTEE'S REPORT YEAR ENDED 30 JUNE 2021

The information on pages 1 to 6 forms part of this report.

Until 28 September 2006, the name of this charity was The Haberdashers' Donations Trust. On 28 September 2006, the Trustee resolved to change the name to The Haberdashers' Foundation.

### Objects

The Foundation's income may be used for any charitable purpose anywhere in the world.

### Strategy

Through the Foundation, the Trustee aims to re-establish the culture of philanthropy by members which has proved so effective in the past in establishing Haberdashers' schools and foundations which have already served their communities and the nation for centuries. The Company continues to develop its work generating regular and effective lines of communication with the membership, to explain the importance of donating to the Foundation and to report on how their gifts are being applied. Donations are sought for direct use or in the form of expendable endowment for investment, through lifetime donations and bequests.

The Foundation has very broad objects although Education and Philanthropy are the overarching themes for projects being supported through this Foundation. The Court of Wardens has established the Foundation Sub-Committee to help raise the profile of the Haberdashers' Foundation primarily within the Company.

### Reserves policy

The Trustee's reserve policy is to retain sufficient unrestricted reserves to cover one year's anticipated financial commitment for the scholarships programme. At 30 June 2021, the reserve was £287,528 (2020: £264,043).

### Activities

Whilst a significant number of Haberdashers' Company members have responded to the Company's call, making single gifts, standing orders and legacy pledges in favour of the Foundation, efforts continue to increase both numbers of donors and levels of commitment. The work being supported is regularly publicised to members in the Company magazine, in other publications and at Company events.

Projects that have received funding from the Haberdashers' Foundation in 2020/21 include:

- A £95,000 grant to support the continued expansion of Haberdashers' Abraham Darby Academy's ADAPT programme.

### Investments

The Foundation has both expendable and permanent endowment funds, invested in the Haberdashers' Charities Investment Pool. Total net investment gain on all funds over the year was £142,645 (2020: £5,570).

### Financial

Incoming resources for the year were £224,771 (2020: £200,616), of which £1,650 was for restricted purposes and £117,556 for expendable and permanent endowment funds. The unrestricted reserve at 30 June 2021 was £287,528 (2020: £264,043).

For and on behalf of the Trustee



Master



Chairman, Charities Committee

# **THE HABERDASHERS' FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

### **Opinion**

We have audited the financial statements of The Haberdashers' Foundation for the year ended 30 June 2021 which comprise the Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Foundation's affairs as at 30 June 2021 and of its incoming resources and application of resources 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 opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's 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 Foundation'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 Trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustee is 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

## **THE HABERDASHERS' FOUNDATION INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or
- the Foundation has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the Trustee**

As explained more fully in the Trustee's Responsibilities Statement set out on page 3, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the Foundation'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 Trustee either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the Foundation's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the Foundation by discussions with informed management and updating our understanding of the sector in which the Foundation operates.

Laws and regulations of direct significance in the context of the Foundation include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Foundation's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Foundation's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

## THE HABERDASHERS' FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE

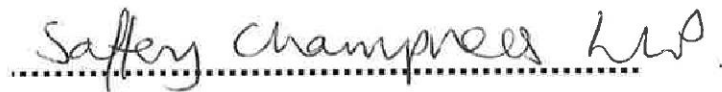
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

#### Use of our report

This report is made solely to the Foundation's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustee those matters we are required to state to it 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 Foundation and the Trustee, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, reading "Saffery Champness LLP", is written over a horizontal dotted line.

Saffery Champness LLP

Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 27 January 2022.

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

# THE HABERDASHERS' FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES

Year ended 30 June 2021

	Note	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
<b>Income and endowments from:</b>						
Donations and legacies		93,311	1,650	100,000	194,961	166,687
Investments:						
Haberdashers' Charities Investment Pool		-	-	17,556	17,556	17,408
Interest receivable		12,254	-	-	12,254	16,521
		<u>105,565</u>	<u>1,650</u>	<u>117,556</u>	<u>224,771</u>	<u>200,616</u>
<b>Expenditure on:</b>						
Charitable activities:						
Grants awarded	2	116,341	-	-	116,341	101,193
		<u>116,341</u>	<u>-</u>	<u>-</u>	<u>116,341</u>	<u>101,193</u>
<b>Net gains on investments</b>	4	<u>16,705</u>	<u>-</u>	<u>125,940</u>	<u>142,645</u>	<u>5,570</u>
<b>Net income/(expenditure)</b>		5,929	1,650	243,496	251,075	104,993
Transfer between funds	10	<u>17,556</u>	<u>-</u>	<u>(17,556)</u>	<u>-</u>	<u>-</u>
<b>Net movement on funds</b>		23,485	1,650	225,940	251,075	104,993
<b>Reconciliation of funds:</b>						
Total funds brought forward		264,043	75,344	807,032	1,146,419	1,041,426
<b>Total funds carried forward</b>	10	<u>287,528</u>	<u>76,994</u>	<u>1,032,972</u>	<u>1,397,494</u>	<u>1,146,419</u>

# THE HABERDASHERS' FOUNDATION

## BALANCE SHEET 30 June 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investments	4	1,059,945	957,300
<b>Current assets</b>			
Debtors	6	38,741	29,573
Investments		12,700	12,700
Cash at bank		296,473	189,046
		347,914	231,319
<b>Liabilities</b>			
Creditors: amounts falling due within one year	7	(10,365)	(30,200)
<b>Net current assets</b>		337,549	201,119
<b>Total assets less current liabilities</b>		1,397,494	1,158,419
Creditors: amounts falling due after more than one year	8	-	(12,000)
<b>Total net assets</b>		1,397,494	1,146,419
<b>The Funds of the Charity:</b>			
Endowment funds	10	1,032,972	807,032
Restricted funds	10	76,994	75,344
Unrestricted general fund	10	287,528	264,043
<b>Total Charity Funds</b>		1,397,494	1,146,419

The financial statements on pages 60 to 67 were approved and authorised for issue on behalf of the Trustee on 27 January 2022

Signed on behalf of the Trustee



Master



Chairman, Charities Committee

# THE HABERDASHERS' FOUNDATION

## NOTES TO THE ACCOUNTS Year ended 30 June 2021

### 1 Accounting policies

Accounting policies are as listed for all the Haberdashers' Charitable Foundations on pages 7 to 9.

2 Analysis of charitable expenditure	Fundraising Costs £	Charitable Activities £	Governance Cost £	Total 2021 £	Total 2020 £
Grants to institutions	-	115,000	-	115,000	100,300
Audit fees	-	-	360	360	290
Other administration costs	-	981	-	981	603
	-	115,981	360	116,341	101,193

### 3 Analysis of Grants awarded

		2021 £
<b>For Education and Training:</b>		
Monmouth School for Girls	Grant to related charity	20,000
Haberdashers' Abraham Darby	Funding for ADAPT	95,000
		<u>115,000</u>
<u>Grants accounted for in previous years, payable after 30 June 2021</u>		
AkzoNobel/Haberdashers' Science Scholarships		<u>10,000</u>
<b>Total – Education &amp; Training</b>		<u>115,000</u>
<b>Total grants awarded in the year ended 30 June 2021</b>		<u>115,000</u>

# THE HABERDASHERS' FOUNDATION

## NOTES TO THE ACCOUNTS Year ended 30 June 2021

	2021	2020
<b>4 Fixed assets - Investments</b>		
	£	£
(a) Haberdashers' Charities Investment Pool	816,842	690,902
(b) Diversified Property Fund for Charities	223,815	208,308
(c) Property Income Trust for Charities	19,288	58,090
	<u>1,059,945</u>	<u>957,300</u>
 (a) Haberdashers' Charities Investment Pool		
Market value as at 1 July	690,902	581,530
Additions	-	100,000
Unrealised gain	125,940	9,372
Market value as at 30 June	<u>816,842</u>	<u>690,902</u>
 (b) Diversified Property Fund for Charities		
Market value as at 1 July	208,308	291,400
Reduction in investment cash	-	(82,000)
Unrealised gain/(loss)	15,507	(1,092)
Market value as at 30 June	<u>223,815</u>	<u>208,308</u>
 (c) Property Income Trust for Charities		
Market value as at 1 July	58,090	6,800
Additions	-	54,000
Reduction in investment cash	(40,000)	-
Unrealised gain/(loss)	1,198	(2,710)
Market value as at 30 June	<u>19,288</u>	<u>58,090</u>

## 5 Movement on unapplied total return

Unapplied total return is calculated relative to the value of the trust for investment at 30 June 2009 (base value), that being the base date determined by the Trustee as appropriate for the Charity's endowment fund. An endowment gift of £100,000 (2020: £100,000) was received during the year but not invested until after year end and, therefore, is not included in the table below.

	Trust for investment £	Unapplied Total Return £	Total 2021 £	Total 2020 £
Trust for investment at 1 July 2020	504,137	186,765	690,902	581,530
Investment returns:				
Investment income	-	17,556	17,556	17,408
Realised and unrealised investment gains	-	125,940	125,940	9,372
Transfer to trust for application	-	(17,556)	(17,556)	(17,408)
Addition for investment	-	-	-	100,000
<b>Trust for investment at 30 June 2021</b>	<u>504,137</u>	<u>312,705</u>	<u>816,842</u>	<u>690,902</u>
Represented by:				
Investment in Charities Investment Pool (Total Return)			<u>816,842</u>	<u>690,902</u>

# THE HABERDASHERS' FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

6 Debtors	2021	2020
	£	£
Accrued interest	2,891	3,523
Tax recoverable on donations	35,825	25,943
Other debtors	25	106
	<u>38,741</u>	<u>29,573</u>

7 Creditors: amounts falling due within one year	2021	2020
	£	£
Charitable grants payable	10,000	30,000
Audit fees	241	200
Other creditors	124	-
	<u>10,365</u>	<u>30,200</u>

8 Creditors: amounts falling due after more than one year	2021	2020
	£	£
Charitable grants payable	-	12,000

## 9 Analysis of net assets between funds

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Balance 30 June 2021 £
Fixed asset investments	-	243,103	816,842	1,059,945
Net current assets	287,528	(166,109)	216,130	337,549
Long term creditors	-	-	-	-
	<u>287,528</u>	<u>76,994</u>	<u>1,032,972</u>	<u>1,397,494</u>

# THE HABERDASHERS' FOUNDATION

## NOTES TO THE ACCOUNTS Year ended 30 June 2021

10 The Funds of the Charity	Balance 1 July 2020 £	Incoming resources £	Resources expended £	Other gains & losses £	Transfer between funds £	Balance 30 June 2021 £
Unrestricted general fund	264,043	105,565	(116,341)	16,705	17,556	287,528
Restricted donations fund	75,344	1,650	-	-	-	76,994
Expendable endowment fund	440,191	-	-	68,740	-	509,231
Permanent endowment fund	366,541	117,556	-	57,200	(17,556)	523,741
<b>Total Charity Funds</b>	<b>1,146,419</b>	<b>224,771</b>	<b>(116,341)</b>	<b>142,645</b>	<b>-</b>	<b>1,397,494</b>

The restricted donations fund at 30 June 2021 relates to a number of smaller donations and legacies given to the Foundation to support various charitable causes. The Trustee does not consider any of the individual funds to be material in the context of these accounts.

In the year £17,556 was transferred from the permanent endowment to income (2020: £17,408). This reflects a transfer from the unapplied total return to meets grants and other costs of the Foundation (see note 5 for further details of the movement on unapplied total return).

### 11 Related Parties

The Haberdashers' Company, a City Livery Company incorporated by royal charter, is named as the permanent Trustee of the Haberdashers' Foundation.

The Foundation's endowment funds are invested predominantly in the Haberdashers' Charities Investment Pool, a common investment fund also having the Haberdashers' Company as Trustee. Distributions of £17,556 (2020: £17,408) were received from the Investment Pool in the year; unrealised gains of £125,940 (2020: £9,372) were generated by the Foundation's investment in the Pool.

Neither the Trustee nor any member of its governing body, the Court of Wardens, receives any remuneration or benefits from the Foundation (2020: £Nil). No money was reimbursed to them in respect of expenses incurred in the year on behalf of the Foundation (2020: £Nil).

A donation of £100,000 (2020: £100,000) was received from the Haberdasher's Operating Company, a wholly owned subsidiary of the Trustee, in the year to help build the permanent endowment to produce more income for future years.

A donation of £20,000 (2020: £59,000) was made in the year to the Haberdashers' Educational Foundation to support its further and higher education programme (scholarships).

There were no other transactions with related parties in the year (2020: £Nil).

# THE HABERDASHERS' FOUNDATION

## NOTES TO THE ACCOUNTS

Year ended 30 June 2021

### 12 Statement of Financial Activities for the year ended 30 June 2020

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Total 2020 £
<b>Income and endowments from:</b>				
Donations and legacies	65,037	1,650	100,000	166,687
Investments:				
Haberdashers' Charities Investment Pool	-	-	17,408	17,408
Interest receivable	16,521	-	-	16,521
	<u>81,558</u>	<u>1,650</u>	<u>117,408</u>	<u>200,616</u>
<b>Expenditure on:</b>				
Charitable activities:				
Grants awarded	105,193	(4,000)	-	101,193
	<u>105,193</u>	<u>(4,000)</u>	<u>-</u>	<u>101,193</u>
<b>Net gains on investments</b>	<u>(3,802)</u>	<u>-</u>	<u>9,372</u>	<u>5,570</u>
<b>Net income/(expenditure)</b>	<u>(27,437)</u>	<u>5,650</u>	<u>126,780</u>	<u>104,933</u>
Transfer between funds	<u>17,408</u>	<u>-</u>	<u>(17,408)</u>	<u>-</u>
<b>Net movement in funds</b>	<u>(10,029)</u>	<u>5,650</u>	<u>109,372</u>	<u>104,993</u>
<b>Reconciliation of funds:</b>				
Total funds brought forward	274,072	69,694	697,660	1,041,426
<b>Total funds carried forward</b>	<u>264,043</u>	<u>75,344</u>	<u>807,032</u>	<u>1,146,419</u>

### 13 Analysis of charitable expenditure for the year ended 30 June 2020

	Fundraising Costs £	Charitable Activities £	Governance Cost £	Total 2020 £
Grants to institutions	-	100,300	-	100,300
Fundraising costs	-	-	-	-
Audit fees	-	-	290	290
Other administration costs	-	603	-	603
	<u>-</u>	<u>100,903</u>	<u>290</u>	<u>101,193</u>

# THE HABERDASHERS' FOUNDATION

## NOTES TO THE ACCOUNTS Year ended 30 June 2021

### 14 Movement on unapplied total return for the year ended 30 June 2020

	Trust for investment £	Unapplied Total Return £	Total 2020 £
Trust for investment at 1 July 2019	404,137	177,393	581,530
Investment returns:			
Investment income	-	17,408	17,408
Realised and unrealised investment gains	-	9,372	9,372
Transfer to trust for application	-	(17,408)	(17,408)
Addition for investment	100,000	-	100,000
<b>Trust for investment at 30 June 2020</b>	<b>504,137</b>	<b>186,765</b>	<b>690,902</b>
Represented by:			
Investment in Charities Investment Pool (Total Return)			690,902

### 15 Analysis of net assets between funds for the year ended 30 June 2020

	Unrestricted General Fund £	Restricted Funds £	Endowment Funds £	Balance 30 June 2020 £
Tangible assets	266,398	-	690,902	967,300
Net current assets/(liabilities)	(2,355)	87,344	116,130	201,119
Long term creditors	-	(12,000)	-	(12,000)
	<b>264,043</b>	<b>75,344</b>	<b>807,032</b>	<b>1,146,419</b>

### 16 The Funds of the Charity for the year ended 30 June 2020

	Balance 1 July 2019 £	Incoming resources £	Resources expended £	Other gains & losses £	Transfer between funds £	Balance 30 June 2020 £
Unrestricted general fund	274,072	81,558	(105,193)	(3,802)	17,408	264,043
Restricted donations fund	69,694	1,650	4,000	-	-	75,344
Expendable endowment fund	433,690	-	-	6,801	-	440,491
Permanent endowment fund	263,970	117,408	-	2,571	(17,408)	366,541
<b>Total Charity Funds</b>	<b>1,041,426</b>	<b>200,616</b>	<b>(101,193)</b>	<b>5,570</b>	<b>-</b>	<b>1,146,419</b>