

**Carpenters'
Company
Charitable
Trust**

Annual Report and Accounts

30 June 2016

Charity Registration Number
276996

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Legal and administrative information

Trustees	Mr P A Luton Mr M R Mathews Mr V G Morton-Smith Mr M J Samuel
The Clerk	Brigadier T J Gregson
Registered address	Carpenters' Hall Throgmorton Avenue London EC2N 2JJ
Charity registration number	276996
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Investment advisors	The Investments Committee of The Worshipful Company of Carpenters
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY
Surveyors	Daniel Watney LLP 165 Fleet Street London EC4A 2DW
Investment managers	Waverton Investment Management Limited 21 St James's Square London SW1Y 4HB

The Trustees present their statutory report together with the accounts of the Carpenters' Company Charitable Trust for the year ended 30 June 2016.

The accounts have been prepared in accordance with the accounting policies set out on pages 11 to 14 of the attached accounts and comply with the charity's trust deed, 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Structure, governance and management

The charity is governed by a trust deed dated 27 November 1978 which requires the Trustees to distribute the funds of the charity for charitable purposes as directed by the Court of The Worshipful Company of Carpenters.

Key management personnel

The overall responsibility for the charity lies with the Trustees who are appointed by The Worshipful Company of Carpenters and are listed on page 1. Trustees do not receive remuneration for their services. The appointment is of a voluntary nature and there shall be not less than three Trustees. Before their appointment, Trustees will have had considerable experience of the charity through their membership of the Court of The Worshipful Company of Carpenters. This experience will have been gathered over many years and their knowledge of the workings of the charity is extensive. Further training has been given during the year and is always available where appropriate. Professional advice is always sought where required.

The consideration of grants is delegated to the Charitable Grants Committee, which comprises the Master, Senior Warden, three elected members of the Court and up to four co-opted Liverymen. This committee meets three times each year and also considers grant applications received by a connected charity, the Norton Folgate Trust. Day to day management is the responsibility of the Clerk to The Worshipful Company of Carpenters. The Clerk's remuneration is set by The Worshipful Company of Carpenters.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The Trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

The greatest risk facing the charity is external. Significant volatility in the investment market could lead to reduced income and impact on the charity's ability to meet its funding commitments, some of which are long term. To mitigate this risk, funding commitments are reviewed annually and strictly limited to the income generated in the previous year. The charity no longer faces significant internal risk, as its liability for the running costs of the Building Crafts College is strictly limited. Other liabilities are reviewed constantly and no new commitments are adopted unless sufficient funds are available.

Structure, governance and management (continued)

Connected charities and related parties

The Worshipful Company of Carpenters is also responsible for the management and administration of four other registered charities, details of which are given in note 15 to the accounts.

The Worshipful Company of Carpenters owns land which it leases to the charity at a peppercorn rent. The charity's investment property which it has built on this land is leased to a connected charity, Building Crafts College. The charity also makes an annual grant to the College.

Objectives and activities

Subject to protecting the charity's capital base, the main objective for the year was to maximise the grants payable by the charity whilst ensuring that there are sufficient funds carried forward to meet the reserves policy outlined below.

The charity continues to own the long leasehold of the Building Crafts College in Stratford, which it holds as an investment.

The charity supports the Building Crafts College through an annual grant.

The Henry Osborne Award Fund provides an annual award for a student at the Guildhall School of Music and Drama.

The charity also makes other grants in accordance with the policy set out below.

Grant making policy

The charity awards grants to a wide range of educational and welfare activities. The majority of its income each year goes to the Building Crafts College, but the charity also maintains long-standing commitments to numerous other organisations, mainly in the Greater London area. Its priorities for grants of a more general nature are: Youth, Children, the Homeless and the Aged.

Public benefit statement

The Trustees confirm that they have complied with their duty under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The Trustees' report gives a description of the activities undertaken by the charity during the year in furtherance of its charitable purposes, and the Trustees are satisfied that all such activities provide a public benefit.

Achievements during the year

The objectives, as set out above, were achieved during the current year. Grants were made to one individual and twenty-one institutions (2015 - one individual and fourteen institutions). The capital base of the charity's investments has been preserved in order to maximise future income.

Financial review

A summary of the charity's results for the year can be found on page 8.

Total income for the year amounted to £1,484,451 (2015 - £1,099,496) which included donations under Gift Aid from The Worshipful Company of Carpenters of £553,332 (2015 - £218,340). Total expenditure during the year was £1,154,297 (2015 - £1,363,638) including £764,038 (2015 - £831,255) relating to the Building Crafts College.

Reserves policy

The balance sheet shows total funds of £26,712,811 comprising endowment funds of £19,654,465, restricted funds of £120,749, designated funds of £6,267,356 and a surplus on general funds or 'free' reserves of £670,241.

The charity's commitments are reviewed annually and are strictly limited to the income generated in the previous year. The charity does not therefore have a requirement to hold free reserves.

Investment policy and performance

In 2004, the charity invested £10 million in listed investments. During 2007, the charity invested a further £108,154. At 30 June 2016 the total market value had increased to £19,654,465. The charity also has a leasehold investment property with a valuation of £6,050,000.

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustees and takes into account income requirements, risk profile and their view of the market prospects in the medium term. The overall investment policy is to provide a stable level of income.

The Trustees are satisfied that the performance of the charity's investment portfolio is in line with market conditions.

Future plans

The Trustees plan to continue the activities listed on the previous page.

The charity aims to increase the real value of its capital investments over time in order to generate increased income. This income will continue to be committed to good causes, of which the chief recipient is currently the Building Crafts College.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

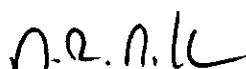
The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the trustees are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf by:



Mr M R Mathews

Approved by the Trustees on: 24 October 2016

Independent auditor's report to the Trustees of the Carpenters' Company Charitable Trust

We have audited the accounts of the Carpenters' Company Charitable Trust for the year ended 30 June 2016, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, the Trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

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

Opinion on the accounts

In our opinion the accounts:

- ♦ give a true and fair view of the state of the charity's affairs as at 30 June 2016 and of its income 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.

Matters on which we are required to report by exception

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

- ♦ the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- ♦ sufficient accounting records have not been kept; or
- ♦ the accounts 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.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

24 October, 2016

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

Statement of financial activities Year to 30 June 2016

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 Total funds £	2015 Total funds £
Income						
Donations	1	558,630	37,731	—	596,361	269,107
Investment income	2	888,090	—	—	888,090	830,389
Total income		<u>1,446,720</u>	<u>37,731</u>	<u>—</u>	<u>1,484,451</u>	<u>1,099,496</u>
Expenditure						
Cost of raising funds						
. Investment management costs	3	42,882	—	132,033	174,915	317,998
Charitable activities	4					
. Grants payable		943,344	36,038	—	979,382	1,045,640
Total expenditure		<u>986,226</u>	<u>36,038</u>	<u>132,033</u>	<u>1,154,297</u>	<u>1,363,638</u>
Net income (expenditure) before gains and losses on investments		460,494	1,693	(132,033)	330,154	(264,142)
Gain on revaluation of investment property	8	150,000	—	—	150,000	350,000
Gains on listed investments	8	—	—	1,585,327	1,585,327	1,029,486
Net income and net movement in funds		610,494	1,693	1,453,294	2,065,481	1,115,344
Reconciliation of funds:						
Fund balances brought forward at 1 July 2015		6,327,103	119,056	18,201,171	24,647,330	23,531,986
Fund balances carried forward at 30 June 2016		<u>6,937,597</u>	<u>120,749</u>	<u>19,654,465</u>	<u>26,712,811</u>	<u>24,647,330</u>

All of the charity's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 30 June 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Investment property	8		6,050,000		5,900,000
Listed investments	8		19,654,465		18,201,171
			<u>25,704,465</u>		<u>24,101,171</u>
Current assets					
Debtors	9	267,653		200,713	
Short-term deposits		502,504		32,504	
Cash at bank and in hand		481,437		534,542	
		<u>1,251,594</u>		<u>767,759</u>	
Liabilities:					
Creditors: amounts falling due within one year	10	(243,248)		(221,600)	
Net current assets			1,008,346		546,159
Net assets			<u>26,712,811</u>		<u>24,647,330</u>
The funds of the charity:					
Funds and reserves					
Capital funds:					
Endowment funds	11		19,654,465		18,201,171
Income funds:					
Restricted funds	12		120,749		119,056
Unrestricted funds					
. Designated funds	13	6,267,356		6,077,269	
. General funds		670,241		249,834	
			<u>6,937,597</u>		<u>6,327,103</u>
			<u>26,712,811</u>		<u>24,647,330</u>

Approved by the Trustees
and signed on their behalf by:

N.E. N.L

Mr M R Mathews

Approved on: 24 October 2016

Statement of cash flows Year to 30 June 2016

	Notes	2016 £	2015 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(604,717)	(868,676)
Cash flows from Investing activities:			
Investment income		889,579	870,575
Proceeds from the disposal of investments		3,869,878	12,503,180
Purchase of investments		(4,552,533)	(10,991,369)
Net cash provided by investing activities		206,924	2,382,386
Change in cash and cash equivalents in the year		(397,793)	1,513,710
Cash and cash equivalents at 1 July 2015	B	2,044,779	531,069
Cash and cash equivalents at 30 June 2016	B	1,646,986	2,044,779

Notes to the statement of cash flows for the year to 30 June 2016.

A Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2016 £	2015 £
Net movement in funds (as per the statement of financial activities)	3,065,481	1,115,344
Adjustments for:		
Gain on investment property	(150,000)	(350,000)
(Gains) losses on investments	(1,585,327)	(1,029,486)
Investment income	(888,090)	(830,389)
(Increase) decrease in debtors	(68,429)	214,252
Increase in creditors	21,648	11,603
Net cash used in operating activities	(604,717)	(868,676)

B Analysis of cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	481,437	534,542
Short term deposits	502,504	32,504
Cash held by investment managers	663,045	1,477,733
Total cash and cash equivalents	1,646,986	2,044,779

Principal accounting policies 30 June 2016

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year 30 June 2016.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed.

In accordance with the requirements of FRS 102 a reconciliation of the opening balances and net expenditure for the year is provided with the net income under previous GAAP adjusted for the presentation of investment gains as a component of reported income:

	2015 £
Reconciliation of reported income:	
Net expenditure as previously stated	(264,142)
Adjustment for gains on investments now treated as a component of net income	1,379,486
2015 net income as restated	1,115,344

In addition, presentational adjustments have been made to reanalyse the expenditure for the year ended 30 June 2015 to accord with the format prescribed in the updated Charities SORP FRS 102. Specifically, governance costs which were previously reported as a separate line of expenditure within the statement of financial activities are now allocated to expenditure on charitable activities.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The only item in the accounts where these judgements and estimates have been made is in respect to estimating the valuation of investment properties.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 30 June 2017, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and investment income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes investment management fees.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations and support costs, including governance costs.

Charitable grants and donations are made where the trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment and the intended recipient has either received the funds or been informed of the decision to make the grant. Provision is made for grants and donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs comprise management costs incurred in respect of the grant making function.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are allocated in full to the charitable activity.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) are calculated as the difference between disposal proceeds and their opening carrying value of their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Investments (continued)

Properties held for investment purposes are included in these accounts at open market value. The valuation is based on an interim valuation at 30 June 2016 by Daniel Watney, Chartered Surveyors.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Endowment funds comprise monies which must be held as capital. Permanent endowment funds must be permanently retained by the Trustees and cannot normally be spent as if they were income. Where the Trustees have a power of discretion to convert endowed capital into income, the fund is known as an expendable endowment. Income arising from endowment funds is credited to general funds and applied for general purposes.

Restricted funds comprise monies raised for, or which have their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated funds comprise monies set aside out of unrestricted funds for specific future purposes or projects.

1 Donations

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 Total funds £	2015 Total funds £
Donation under Gift Aid from The Worshipful Company of Carpenters	553,332	—	—	553,332	218,340
Other donations	5,298	37,731	—	43,029	50,767
2016 Total funds	558,630	37,731	—	596,361	269,107
2015 Total funds	173,427	95,680	—	269,107	

2 Investment Income

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 Total funds £	2015 Total funds £
Rental income	276,045	—	—	276,045	276,045
Income from listed investments	611,977	—	—	611,977	553,662
Interest receivable	68	—	—	68	682
2016 Total funds	888,090	—	—	888,090	830,389
2015 Total funds	830,389	—	—	830,389	

3 Investment management costs

	Unrestricted funds £	Restricted funds £	Endowment funds £	2016 Total funds £	2015 Total funds £
Investment managers' fees	2,641	—	132,033	134,674	128,211
Investment property costs	40,241	—	—	40,241	189,787
2016 Total funds	42,882	—	132,033	174,915	317,998
2015 Total funds	283,920	—	34,078	317,998	

4 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Grants payable	868,488	36,038	904,526	970,194
Support costs	68,826	—	68,826	69,836
Governance costs (note 5)	6,030	—	6,030	5,610
2016 Total funds	943,344	36,038	979,382	1,045,640
2015 Total funds	1,011,342	34,298	1,045,640	

Support costs comprise management costs incurred in respect of the grantmaking function.

4 Expenditure on charitable activities (continued)

The charity makes grants to both individuals and institutions in accordance with its grantmaking policy set out in the Trustees' report.

The grants payable during the year can be analysed as follows:

	Grants to individuals		Grants to institutions		2016 Total Funds	2015 Total Funds
	£	No.	£	No.	£	£
Building Crafts College	—	—	764,038	1	764,038	831,255
Other education	—	—	30,000	2	30,000	37,497
Other	3,000	1	107,488	18	110,488	101,442
	<u>3,000</u>	<u>1</u>	<u>901,526</u>	<u>21</u>	<u>904,526</u>	<u>970,194</u>

Grants payable are analysed as follows:

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Craft activities	764,038	36,000	800,038	877,755
City of London	15,000	—	15,000	15,000
Religious organisations	1,000	—	1,000	1,000
Youth and children's organisations	30,000	—	30,000	37,497
Miscellaneous	58,450	38	58,488	38,942
2016 Total funds	<u>868,488</u>	<u>36,038</u>	<u>904,526</u>	<u>970,194</u>
2015 Total funds	935,896	34,298	970,194	

The following material grants are included in the analysis above:

	2016 £	2015 £
Craft activities		
Building Crafts College	764,038	831,255
Institute of Carpenters	6,000	6,000
Craft support including craft competition	6,000	6,000
Other education		
Carpenters & Docklands Centre	15,000	22,500
Carpenters Primary School	15,000	14,997
	<u>806,038</u>	<u>880,752</u>

5 Governance costs

	2016 £	2015 £
Audit and accountancy		
· Current year fee	6,000	5,850
· Prior year under (over) accrued	30	(240)
	<u>6,030</u>	<u>5,610</u>

6 Trustees' remuneration and remuneration of key management personnel

None of the Trustees received any remuneration in respect of their services during the year nor any reimbursement of expenses (2015 - £nil) from the charity. Fees of £nil (2015 - £360) were paid to the Trustees by The Worshipful Company of Carpenters. No expenses were paid.

The Clerk is remunerated by The Worshipful Company of Carpenters.

7 Taxation

Carpenters' Company Charitable Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Fixed asset investments

At 30 June 2016 fixed asset investments comprised:

	2016 £	2015 £
Leasehold investment property	6,050,000	5,900,000
Listed investments including cash held by investment managers	19,654,465	18,201,171
	<u>25,704,465</u>	<u>24,101,171</u>

Movements on each category of investment are summarised below.

	2016 £	2015 £
Leasehold investment property		
Market value at 1 July 2015	5,900,000	5,550,000
Revaluation gain	150,000	350,000
Market value at 30 June 2016	<u>6,050,000</u>	<u>5,900,000</u>
Cost at 30 June 2016	<u>5,578,312</u>	<u>5,578,312</u>

The charity's investment property was revalued at its open market value in June 2006 by Daniel Watney, Chartered Surveyors. The market value of the investment property at 30 June 2016 is based on an interim valuation by Daniel Watney, Chartered Surveyors.

8 Fixed asset investments (continued)

	2016 £	2015 £
Listed investments		
Market value at 1 July 2015	16,723,438	17,205,763
Additions	4,552,533	10,991,369
Disposals (proceeds £3,869,878; realised loss £325,837)	(4,195,715)	(12,576,015)
Net unrealised investment gain	1,911,164	1,102,321
	18,991,420	16,723,438
Cash held by investment managers for reinvestment	663,045	1,477,733
Market value at 30 June 2016	19,654,465	18,201,171
Cost of listed investments at 30 June 2016	15,333,096	14,393,982

The investments included above, all of which were listed on a recognised stock exchange, comprise:

	2016 £	2015 £
Listed investments		
UK equities	6,184,531	4,772,642
Overseas equities	9,452,003	9,371,421
UK fixed interest	2,259,925	1,505,122
UK property funds	1,026,405	1,007,266
Common investment funds	68,556	66,987
	18,991,420	16,723,438

No listed investments represented more than 5% of the total holding.

9 Debtors

	2016 £	2015 £
Due within one year		
Due from the Building Crafts College	248,119	180,903
Prepayments and accrued income	16,291	17,780
Other debtors	3,243	2,030
	267,653	200,713

10 Creditors: amounts falling due within one year

	2016 £	2015 £
Due to The Worshipful Company of Carpenters	68,570	68,982
Other creditors and deferred income	174,678	148,618
Amounts due to Norton Folgate Trust	—	4,000
	243,248	221,600

10 Creditors: amounts falling due within one year (continued)

Included within other creditors and deferred income is deferred rental income as set out below:

	2016 £
Deferred income brought forward at 1 July 2015	69,011
Additional income deferred in year	69,011
Brought forward income released in year	(69,011)
Deferred income carried forward at 30 June 2016	69,011

11 Endowment funds

	2016 £	2015 £
Permanent endowment fund	68,556	66,987
Expendable endowment fund	19,585,909	18,134,184
	19,654,465	18,201,171

(a) Permanent endowment fund

	At 1 July 2015 £	Additions £	Gains and losses £	At 30 June 2016 £
Henry Osborne Award fund	66,987	—	1,569	68,556

The Henry Osborne Award fund was established to provide income for an annual award for a student at the Guildhall School of Music and Drama. The fund must be retained indefinitely.

(b) Expendable endowment fund

	At 1 July 2015 £	Expenditure £	Gains and losses £	At 30 June 2016 £
Stratford fund	18,134,184	(132,033)	1,583,758	19,585,909

The Stratford fund represents an original £10,000,000 donation to provide a regular source of income to meet the charity's commitments and charitable objectives. A donation of £108,154 was added to the fund in 2009.

The Trustees have a power of discretion to convert the capital into expendable income.

12 Restricted funds

	At 1 July 2015 £	Income £	Expenditure £	At 30 June 2016 £
Carpenters' Livery Award fund	116,806	33,731	(32,000)	118,537
Sycamore fund	1,972	—	—	1,972
Stuckey Award fund	200	2,000	(2,000)	200
Ketless fund	—	2,000	(2,000)	—
Diamond Jubilee Fenland Black Oak Project	78	—	(38)	40
	119,056	37,731	(36,038)	120,749

The Carpenters' Livery Award fund, the Sycamore fund and the Ketless fund comprise donations to provide funding for student fees at the Building Crafts College.

The Stuckey Award fund comprises an annual donation, which is to be spent on students attending the Building Crafts College studying Historical Building Conservation.

The Diamond Jubilee Fenland Black Oak Project is a project to reclaim and dry a 5,000 year old oak tree in order that the resulting planks can be turned into a 44 foot long table. The project was based at the Building Crafts College but has now moved to a farm near Ely.

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees.

	At 1 July 2015 £	New designations £	Utilisation and gains/(losses) £	At 30 June 2016 £
Investment property fund	5,900,000	—	150,000	6,050,000
Maintenance fund	132,360	55,000	—	187,360
College fixed asset fund	44,909	—	(14,913)	29,996
	6,077,269	55,000	135,087	6,267,356

The investment property fund represents the book value of the charity's investment property and funds designated for capital expenditure in the property. A decision was made to separate this fund from the general fund in recognition of the fact that the property is a long-term investment and as such its value should not be regarded as funds that would be realisable with ease.

The maintenance fund represents an amount set aside for the maintenance of the Building Crafts College. This fund represents two to five years of anticipated spend and is replenished annually. An annual grant to match this provision has been made by The Worshipful Company of Carpenters.

13 Designated funds (continued)

The College fixed asset fund represents the value of tangible fixed assets purchased by the Building Crafts College using loan funding from the Carpenters' Company Charitable Trust. A decision was made to separate this fund from the general fund in recognition of the fact that these funds are not realisable with ease.

14 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2016 £
Fund balances at 30 June 2016 are represented by:					
Fixed asset investments	—	6,050,000	—	19,654,465	25,704,465
Current assets	913,489	217,356	120,749	—	1,251,594
Creditors: amounts falling due within one year	(243,248)	—	—	—	(243,248)
Total net assets	670,241	6,267,356	120,749	19,654,465	26,712,811

The total unrealised gains as at 30 June 2016 constitutes movements on revaluation and are as follows:

	2016 £	2015 £
Unrealised gains included above:		
On listed investments	3,658,324	2,329,456
On investment properties	471,688	321,688
Total unrealised gains at 30 June 2016	4,130,012	2,651,144
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 July 2015	2,651,144	4,398,470
Less: in respect to disposals in the year	(582,296)	(2,849,647)
	2,068,848	1,548,823
Add: net gains arising on revaluation arising in the year	2,061,164	1,102,321
Total unrealised gains at 30 June 2016	4,130,012	2,651,144

15 Related party transactions

The Worshipful Company of Carpenters is responsible for the appointment of the Trustees of, or acts as a Trustee of, the following charities which are registered with the Charity Commission.

- ◆ Building Crafts College and Technical Education: No 312856
- ◆ Richard Wyatt's Almshouses: No 200292
- ◆ Norton Folgate Trust: No 230990
- ◆ Rustington Convalescent Home: No 216865

Grants to Building Crafts College are disclosed in note 4. In addition rental income of £276,045 (2015 - £276,045) was receivable from Building Crafts College.

15 Related party transactions (continued)

The Worshipful Company of Carpenters made payments under Gift Aid to the charity of £553,332 (2015 - £218,340) and levied a management charge on the charity of £68,570 (2015 - £68,982). The Company also leased land to the charity at a peppercorn rent.

The Trust received £33,731 (2015 - £43,480) from Liverymen for Livery Awards, of which £32,000 (2015 - £32,000) was paid over to the Norton Folgate Trust to be paid out in grants. The Trust also paid a further £4,000 (2015 - £4,000) to the Norton Folgate Trust to be paid out in grants.

There were no other related party transactions. The amounts due from and to related parties are disclosed in notes 9 and 10 to the accounts.

16 Financial commitments

The charity is committed to paying grants of £26,661 (2015 - £24,000), subject to funds being available.