

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2016
FOR
FREDERICK MULDER FOUNDATION**

FREDERICK MULDER FOUNDATION

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FREDERICK MULDER FOUNDATION

Legal and administrative information

Settlor	Dr. Frederick Mulder CBE
Trustees	Dr. Frederick Mulder CBE Hannah Mulder Robin Bowman Rhodes Pinto (resigned 26 January 2016)
Address	83 Belsize Park Gardens, London, NW3 4NJ.
Bankers	Santander, 2 Triton Square, Regent's Place, London, NW1 3AN
Accountants and Independent Examiners	The Gallagher Partnership LLP, Second Floor, Titchfield House, 69-85 Tabernacle Street, London EC2A 4RR

Registered Charity Number	296019
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FREDERICK MULDER FOUNDATION

Report of the trustees for the year ended 31 March 2016

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2016. The financial statements have been prepared in accordance with the accounting policies set out on page 10 and comply with the charity's trust deed and applicable law.

Constitution and objects

The Frederick Mulder Foundation is constituted under a trust deed dated 4 April 1986 and as amended on 6 November 1995, 6 September 2012, and the Settlor is Dr Frederick Mulder. It is a registered charity no 296019. The Charity was previously known as the Frederick Mulder Charitable Trust and prior to that as Prairie Trust.

The objects of the charity are for the support of any charitable purpose. In practice, the policy of the Trust is to provide financial support to a small number of organisations working on climate change, global poverty, and on the development of social change philanthropy, and on occasion to support the arts.

The financial support for organisations working on climate change, global poverty, and social change philanthropy is targeted as follows:

On the climate change side, we are particularly interested in helping to promote the move to a low-carbon global economy. On the global poverty side, we are particularly interested in the institutional structures and rules that sustain global poverty and inequality and how these can be changed.

For the development of social change philanthropy, the Trust provides help in several ways: (i) via its support for giving circles, especially The Funding Network (TFN), and the projects that present at TFN events; (ii) via support for The Funding Network's international programme through which it seeks to support the development of giving circles based on its model around the world; (iii) via support for projects that present at giving circles based on TFN's model around the world.

Organisation

The details of the trustees who have served during the year and since the year end are set out on page 2. The trustees include the settlor and trustees who have a range of experience and knowledge of the objects of the charity and grant recipients. There are plans to recruit a new trustee. The Charity has two part time employees.

Grant making policy

The trustees meet regularly to discuss the policy of the Trust and to authorise specific grants. Most of the grants to small-scale projects are made through The Funding Network (itself a registered UK charity) to projects which present at TFN events held in London, in UK cities and in other countries.

The Trust also helps to support the operational costs of The Funding Network, both in the UK and internationally, and some of the travel costs incurred in Frederick Mulder's (unpaid) role

FREDERICK MULDER FOUNDATION

Report of the trustees for the year ended 31 March 2016

as the International Ambassador of TFN, which involves helping to set up TFN groups both in the UK outside London and outside the UK itself.

Larger grants are made directly to the organisations supported by the Trust.

Financial review and investment policy

During the year the charity had income of £181,011 (2015: £214,715).

This year trustees' donations made by the charity were £545,757 (2015: £878,475).

The trustees have allocated a proportion of the funds of the charity to a professional investment fund manager. Furthermore, the trustees are committed to using some of the Trust's funds for impact investing that will not only result in a financial return, but also produce social and environmental benefits that accord with the Trust's objectives. A specialist advisor has been appointed by the trustees to advise on investment opportunities in this area.

The Trust is now a signatory to Divest Invest which commits the trust to sell any shares in fossil fuel holdings and invest a proportion of the endowment in 'climate solutions', such as renewable energy, energy efficiency and clean tech. A strong ethical case not to invest in fossil fuels and invest in climate solutions aligns with a strong financial case. The future value of return from investments in fossil fuel companies is now far less certain due to falling costs of renewable energy and the increasingly likely introduction of policies to limit emissions of greenhouse gases which is anticipated to result in some fossil fuel assets being devalued. The Trust's holdings did not include fossil fuel assets.

The trustees have also agreed that up to 50% of the assets of the trust (excluding any donations from the trading subsidiary) may be invested in the Charity's trading subsidiary, Prairie Trust Fine Arts (PT Fine Arts). They also agreed that any donations from PT Fine Arts not yet spent may in turn be re-invested in the trading subsidiary. The trustees took legal and accountancy advice on both the prudence of these decisions and the correct structures and protocols for managing the investment in PT Fine Arts.

Reserves

The trustees have no specific target level of reserves as the charity has few operating costs. However, the trustees expect to maintain reserves equal to at least the level of commitments for 6 months.

The level of reserves currently held provides a firm base for the charity to move forward in fulfilment of its objects.

Risk management

The trustees have not identified any specific risks that attach to the administration of the Trust as such. On the investment side they are aware of the risks of investment of any kind. The Trust keeps at least six months of expected future grants in the form of cash deposits, and believes that it would be imprudent not to have part of its funds professionally invested. The chair of trustees Frederick Mulder, who has forty years of experience in the art world, is involved in all investments made by PT Fine Arts, and the investment managers of the other funds were carefully chosen.

FREDERICK MULDER FOUNDATION

Report of the trustees for the year ended 31 March 2016

Public Benefit

The trustees are conscious of the Charity Commission guidelines on public benefit and these guidelines are applied when grants are considered.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and 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 charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

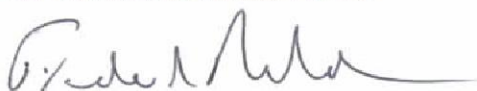
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures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

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


The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees and signed on their behalf by:

Dr Frederick Mulder CBE



Date: 25th January 2017


Robin Bowman

FREDERICK MULDER FOUNDATION
Independent Examiners Report to the trustees

I report on the accounts of the Trust for the year ended 31 March 2016, which are set out on pages 8 to 19.

Respective responsibilities of trustees and examine

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
- have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Samuel David Clarke FCA
The Gallagher Partnership LLP
Chartered Accountants
2nd Floor, Titchfield House
69/85 Tabernacle Street, London EC2A 4RR
January 2017

FREDERICK MULDER FOUNDATION**Statement of Financial Activities for the year ended 31 March 2016**

	Note	2016 £	2015 £
Income			
Investment income	2	181,011	175,006
Donations and Legacies		-	39,709
Total Income		<u>181,011</u>	<u>214,715</u>
Expenditure			
Expenditure on charitable activities:			
Grants payable	3	592,053	641,004
Donation		-	277,802
		<u>592,053</u>	<u>918,806</u>
Total Expenditure		<u>592,053</u>	<u>918,806</u>
Net Income/(expenditure) before gains and losses on investments		<u>(411,042)</u>	<u>(704,091)</u>
Net gains/ (losses) on investment assets:		(1,764)	111,350
Net movement in funds		<u>(412,807)</u>	<u>(592,741)</u>
Total funds brought forward		6,694,566	7,287,307
Total funds carried forward		<u>6,281,759</u>	<u>6,694,566</u>

All funds are unrestricted

FREDERICK MULDER FOUNDATION**Balance sheet as at 31 March 2016**

	Notes	2016 £	2015 £
Fixed assets			
Unquoted Investments	8	2,790,778	2,545,365
Quoted Investments	7	<u>888,127</u>	<u>907,497</u>
		3,678,905	3,452,862
 Current assets			
Debtors	9	6,106	3,089
Cash at bank and in hand		<u>2,596,846</u>	<u>3,239,476</u>
		2,602,952	3,242,565
 Creditors: amounts falling due within one year	10	(98)	(861)
 Net current assets		<u>2,602,854</u>	<u>3,241,704</u>
 Total assets less current liabilities		<u>6,281,759</u>	<u>6,694,566</u>
 Total net assets		<u>6,281,759</u>	<u>6,694,566</u>
 Funds			
Unrestricted funds		6,281,759	6,694,566
 Total charity funds		<u>6,281,759</u>	<u>6,694,566</u>

These Financial Statements were approved by the trustees on 25th January 2017 and were signed on its behalf by:



Dr Frederick Mulder CBE



Robin Bowman

FREDERICK MULDER FOUNDATION

Notes forming for the year ended 31 March 2016

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

Frederick Mulder Foundation has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Preparation of consolidated financial statements

The financial statements contain information about Frederick Mulder Foundation as an individual charity and do not contain consolidated financial statements as the parent of the group. The charity has taken the option under section 139 of the Charities Act 2011 not to prepare consolidated Financial Statements.

Significant judgements and estimates

In applying the trustees' accounting policies, the trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

Critical judgements in applying the company's accounting policies

The critical judgement that the directors have made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

FREDERICK MULDER FOUNDATION

Notes forming for the year ended 31 March 2016

1. Accounting policies – continued

(i) Assessing indicators and impairment

In assessing whether there have been any indicators or impairment of assets, the trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience or recoverability. There have been no indicators or impairments identified during the current financial year.

Key sources of estimation uncertainty

Due to the straight forward nature of Frederick Mulder Foundation's business, the trustees do not believe that there are any estimation uncertainty's that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Funds Structure

All funds are unrestricted and can be used in accordance for the charitable activities at the discretion of the trustees.

Investment income recognition

All Investment income is recognised in the Statement of Financial Activities in the period in which the charity is entitled to receipt.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Fixed asset investments

Quoted Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing mid-market value.

Unquoted investments are initially recognised at cost and subsequently measured at fair value unless fair value cannot be measured reliably in which case they are measured at cost less impairment.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between fair value at the year end and their carrying value.

FREDERICK MULDER FOUNDATION

Notes forming for the year ended 31 March 2016

1. Accounting policies – continued

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the contractual provisions of the financial instrument. The company holds basic financial instruments which comprise cash at bank, trade and other receivables and trade and other payables.

Financial assets - classified as basic financial instruments

(i) Cash at bank and in hand

Cash at bank and in hand include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the company assesses whether there is objective evidence that a receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

iii) Equity investments

Equity investments comprise ordinary shares, publicly traded in active markets for which a reliable fair value can be measured reliably. Equity investments are initially recognised at fair value, which is the transaction price excluding transaction costs and are subsequently measured at fair value through profit or loss.

FREDERICK MULDER FOUNDATION

Notes forming for the year ended 31 March 2016

1. Accounting policies – continued

Financial Liabilities - classified as basic financial instruments

(iv) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the discounted amount of the cash expected to be paid.

Going concern

After making enquiries, the trustees believe that Frederick Mulder Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees have continued to adopt the going concern basis in preparing the financial statements.

	2016	2015
	£	£
2. Investment income		
Income on quoted investments	19,870	18,202
Interest on unquoted investments	147,530	128,902
Interest on cash deposits	13,611	27,902
	<u>181,011</u>	<u>175,006</u>

FREDERICK MULDER FOUNDATION

Notes forming part of the financial statements for the year ended 31 March 2016

3. Expenditure on charitable activities	2016	2015
	£	£
Grants to Institutions		
10:10	-	10,010
350.org	3,718	-
ARC Romania	17,555	-
The Funding Network	108,572	132,647
Results Educational Fund	-	10,000
ASAP (Global)	30,000	30,000
ASAP (UK)	10,000	-
Write to Freedom	-	15,100
Greenpeace Environmental Trust	20,000	-
Center for Citizen Empowerment	25,000	25,000
Carbon Tracker	20,000	10,000
Client Earth	50,000	50,000
Climate Bonds Initiative	57,900	62,500
E3G	25,000	45,000
Gaia Foundation	-	5,000
Giving Games	-	10,000
Giving What We Can	30,000	30,000
Human Rights Watch	9,817	9,182
Incentives for Global Health	-	10,000
Just 4 Kids Law	30,000	30,000
National Health & Education Society	7,024	-
Oxford Research Group	-	15,000
Peace Brigades International	-	12,799
Playback Theatre Southwest	5,000	25,000
Samaj Seva Niketan	5,097	-
Sheila McKechnie Foundation	2,500	3,000
Solar Aid	-	10,000
The Glacier Trust	22,105	9,105
The Australia Institute	5,070	-
War on Want	20,000	-
80,000 Hours	30,000	30,000
PD Hinduja Hospital	6,229	-
Various	5,170	11,330
	545,757	600,673
Direct support Costs – office costs	35,529	30,103
Governance Costs	10,767	10,228
Donation to Remai Art gallery	-	277,802
	592,053	918,806

FREDERICK MULDER FOUNDATION**Notes forming part of the financial statements for the year ended 31 March 2016**

	2016	2015
	£	£
4. Direct Support costs – office costs		
Staff costs	33,895	27,364
Other office costs	1,634	2,739
	<u>35,529</u>	<u>30,103</u>

	2016	2015
	£	£
5. Governance costs		
Bank charges	490	505
Legal & Professional Fees	-	717
Conference & Membership Fees	600	768
Travel	3,006	1,793
Trust management Fee	6,671	6,445
	<u>10,767</u>	<u>10,228</u>

No trustees received remuneration or other benefits for the year ended 31 March 2016 nor for the year ended 31 March 2015. One trustee was reimbursed for travel expenses included in governance costs £3,006 (2015: 1,793) which were paid by them on behalf of the Charity in the current and preceding year.

	2016	2015
	£	£
6. Analysis of Staff costs		
Salaries and wages	33,585	27,250
Social security costs	310	114
	<u>33,895</u>	<u>27,364</u>

The average number of employees in during the year was 2 (2015: 2). The equivalent number of full-time staff is 1 (2015: 1). All employees time involves providing support services to charitable activities.

FREDERICK MULDER FOUNDATION**Notes forming part of the financial statements for the year ended 31 March 2016**

No employees received emoluments (excluding employer pension costs) of more than £60,000, nor for the year ended 31 March 2015.

	2016	2015
	£	£
7. Quoted Investments		
Market value brought forward	907,497	836,695
Additions	113,478	66,170
Proceeds from disposal	<u>(65,017)</u>	<u>(92,101)</u>
	48,461	(25,931)
	<u>955,958</u>	<u>810,764</u>
Realised gain on investments	17,423	31,491
Movement in unrealised valuation gain in the year	<u>(85,254)</u>	<u>65,242</u>
Net gain/(loss) in the year	<u>(67,831)</u>	<u>96,733</u>
Market value carried forward	<u>888,127</u>	<u>907,497</u>
Investments at market value comprised:		
Rathbones	836,207	864,518
Ennismore	<u>51,920</u>	<u>42,979</u>
	<u>888,127</u>	<u>907,497</u>

FREDERICK MULDER FOUNDATION,**Notes forming part of the financial statements for the year ended 31 March 2016**

	2016	2015
	£	£
8. Unquoted Investments		
Market value brought forward	2,545,365	1,419,262
Additions	234,479	1,092,000
Disposals	-	-
Movement in unrealised valuation gain in the year	10,934	34,103
	<u>2,790,778</u>	<u>2,545,365</u>
Market value carried forward		
Investments at market value comprised:		
PT Fine Arts Limited	2,332,481	2,208,354
New Forest Company Holdings Limited	347,945	337,011
Sustainable Growth Management	110,352	-
	<u>2,790,778</u>	<u>2,545,365</u>

Included in unquoted investments are investments/loans receivable in the following unlisted companies:

New Forest Company Holdings, the loan accrues interest at 11% a year. The date of repayment is 31 August 2017.

Sustainable Growth Management, this is an investment with no fixed date for repayment.

Included in unquoted investments are loans receivable from the following subsidiary undertaking:

PT Fine Arts Limited, the loan accrues interest at 5% a year. The loan has no fixed repayment schedule.

FREDERICK MULDER FOUNDATION,**Notes forming part of the financial statements for the year ended 31 March 2016**

8. Unquoted Investments (continued)

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

PT Fine Arts Limited (UK incorporated company)

Nature of Business: Retail sale in commercial art galleries

	%
Class of share	Holding
Ordinary	100

The summary financial performance of the subsidiary is shown below:

	2016 £	2015 £
Turnover	-	-
Cost of sales and administration expenses	(4,026)	(4,346)
Interest payable	(111,126)	(108,782)
Loss for the year	(115,152)	(113,128)
	<hr/>	<hr/>
The aggregate share capital and reserves	(228,279)	(113,127)
	<hr/>	<hr/>
	2016 £	2015 £
9. Debtors		
Other debtors	6,106	3,089
	<hr/>	<hr/>
	6,106	3,089
	<hr/>	<hr/>
	2016 £	2015 £
10. Creditors: Amounts falling due within one year		
Other creditors	98	861
	<hr/>	<hr/>
	98	861
	<hr/>	<hr/>

FREDERICK MULDER FOUNDATION,

Notes forming part of the financial statements for the year ended 31 March 2016

11. Related Party transactions

During the year Frederick Mulder Foundation received interest on a loan in its subsidiary PT Fine Arts Limited of £111,126 (2015: 108,782). For more information on the terms of the loan please see note 8.

During the year, Dr. Frederick Mulder was reimbursed for expenses incurred in relation to travel costs. The total reimbursements amounted to £3,006 (2015: £1,793).

12. First year adoption

This is the first year that the charity has presented its results under Charities SORP (FRS 102). The last financial statements prepared under the previous SORP 2005 were for the period ended 31 March 2015. The date of transition to the Charities SORP (FRS 102) was 1 April 2014.

Due to the straight forward nature of the charity's business and financial instruments, judgements, estimates, and provisions there were no adjustments to the charity's balance sheet at 1 April 2014 or 31 March 2015 on transition to the Charities SORP (FRS 102).