



THE CLOTHWORKERS' FOUNDATION
(Charity Commission Registration Number 274100)
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

haysmacintyre



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**THE CLOTHWORKERS' FOUNDATION
REPORT OF THE TRUSTEES**

TRUSTEES AND PROFESSIONAL ADVISORS

TRUSTEES

Alex Nelson (Chairman)
Andrew Blessley
Denis Clough (to 13.7.16)
Carolyn Boulter
John Coombe-Tennant (from 13.7.16)
Joanna Dodd
Melville Haggard
Michael Jarvis
Nicholas Horne
Daniel Jago (to 13.7.16)
Richard Jonas (to 13.7.16)
Anne Luttmann-Johnson
Lucy Rawson
Andrewjohn Stephenson Clarke (to 13.7.16)
Hanif Virji (from 13.7.16)
John Wake

CHIEF EXECUTIVE

Jocelyn Stuart-Grumbar

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Clothworkers' Hall
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AUDITOR

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BANKERS

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Old Broad Street
London EC3M 5AN

TRUSTEES AND PROFESSIONAL ADVISORS (continued)

INVESTMENT MANAGERS

Blackrock Advisors (UK)
Murray House
1 Royal Mint Street
London EC3N 4HH

Gresham Investment Management
67 Irving Place
12th Floor
New York NY 10003

Hermes Investment Management Company
Lloyds Chambers
1 Portsoken Street
London E1 8HZ
Legal & General Investment Management
One Coleman Street
London EC2R 5AA

Mayflower Management Company
Lansdowne House
57 Berkeley Square
London W1J 6ER

Vanguard Investments UK
50 Cannon Street
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WEBSITE

www.clothworkers.co.uk

CHARITY COMISSION REGISTRATION NUMBER

274100

COMPANY REGISTRATION NUMBER

1321952

The Trustees present their Report and the financial statements of the Foundation for the year ended 31 December 2016; these have been prepared in accordance with the provisions of the Statement of Recommended Practice (FRS102), *Accounting and Reporting by Charities*, issued in 2015 (the "SORP"). The information on the preceding pages forms part of this report. This report also includes the information required in a Directors' Report and a Strategic Report for the purposes of company law.

HISTORY, OBJECTIVES, ACHIEVEMENTS AND PUBLIC BENEFIT

History

The Clothworkers' Foundation was incorporated in 1977 as a company limited by guarantee; it is a registered charity.

In its 39 years of activity, grants in excess of £120 million have been made by the Foundation and subsidiary trusts to charitable organisations and individuals.

Objects

The objects of the charity are the advancement of such charitable purposes as the Foundation shall from time to time determine.

Aims and objectives

Main and Small Grants Programmes

The Clothworkers' Foundation aims through its funding to provide public benefit by improving the lives of people and communities, particularly those that face disadvantage.

It seeks to achieve this through two reactive grants programmes which are open to applications, by funding a range of capital projects which meet its eligibility criteria, and which fall within one or more of its specified areas.

Regular Grants Programme

The Foundation has chosen a small number of organisations to receive grants each year, subject to annual assessment by the Trustees. It is rare for new charities to be added to the programme.

Proactive Grants Programmes

This programme funds specific areas in which the Foundation aims to make a significant impact over a period of time. The themes and priorities of the programme may change over time and grants can be strategic and/or tactical. Potential grant beneficiaries are identified by the Foundation; grants are not made in response to applications.

Annual Objectives and Associated Strategies

The annual objectives of the Foundation are:

- To manage its resources so as to ensure that the budget agreed for charitable grants can be distributed.
- To stimulate a flow of good quality eligible applications for funds that meet its criteria, by setting application guidelines with sufficient clarity to avoid charities wasting valuable resources in preparing submissions that are ineligible.
- To undertake an objective assessment of all applications for grants, appropriate to the scale of support contemplated.

- For the proactive programme, to develop sufficient understanding of the selected areas to allow it to identify particular activities to support and organisations with which to work.
- To maximise public benefit by distributing its income in the most effective way possible.
- To monitor the impact of the grants on the people and communities it seeks to help.

Grant-making Policy

The Foundation is largely a responsive grant-maker and considers applications from charities meeting its published criteria across its specified categories of giving. Following a review of grant-making in 2011, a number of key changes were implemented with effect from January 2012 which have been further developed in subsequent years. A further review of policy was initiated in 2015, and was completed in 2016.

The Foundation's current giving activities are as follows:

- A reactive main grants programme supporting capital projects of charities in the following nine areas: alcohol and substance misuse, disabled people, disadvantaged minority communities, disadvantaged young people, domestic and sexual violence, homelessness, older people, prisoners and ex-offenders, and visual impairment. Only charities with an annual operating income of less than £15 million are eligible to apply.
- A reactive small grants programme making awards of up to £10,000 in the above areas to charities with annual income of less than £250,000.
- A regular grants programme through which a limited number of charities selected by the Foundation receive grants every year, subject to annual review.
- A proactive grants programme supporting textile projects.
- A proactive grants programme, established in 2007, currently encompassing sub-programmes in four specific areas of interest to the Foundation: conservation, visual impairment in Africa, dramatic arts, and the Better Futures programme which is focused on support for organisations which help disadvantaged young people in the UK to reach their full potential.

Full details of the Foundation's grant-making policy and guidelines are provided on the website (www.clothworkers.co.uk); they are also published in the Annual Review, a copy of which may be downloaded from the website or obtained from The Clothworkers' Foundation, Clothworkers' Hall, Dunster Court, Mincing Lane, London EC3R 7AH.

Recent Significant Activities and Achievements

Grants totalling £5.4m (262 in number) were committed during the year, across the various programmes.

Through these programmes, the Trustees consider that the Foundation provides public benefit by focusing resources in areas of greatest need, and in accordance with its objectives.

- **Reactive programmes**

The majority of grant funding was made under the main grants programme, with £3.7m committed during the year to capital projects.

Further commitments of £0.9m were made under the small grants programme, under which grants of up to £10,000 are made to capital projects for smaller charities.

- **Regular grants programme**

The Foundation continued to award annual grants to a small number of selected charities under the Regular Grants Programme which does not accept applications. Commitments totalling £0.3m were made during 2016.

- **Textiles**

The Foundation, and The Clothworkers' Company, continue to support the sector in which their historic roots lie. Most of the charitable funding is by way of bursary support for university students, mainly at postgraduate level.

- **Proactive sub-programmes**

Conservation: this programme seeks to increase the influence of, and develop professional standards across, the sector (initially through funding the salary of the Chief Executive of the trade body – ICON - over five years), and to improve endangered skills (through bursaries, internships and fellowships). Some grants for specialist equipment are also awarded. The programme had a total initial budget of £2m, of which £1.94m had been committed or allocated by the end of 2016.

In 2016, as part of the grant-making review, the Trustees agreed to extend the programme to the end of 2018 with an additional budget of £0.5m.

Visual impairment in developing countries: this programme was established in 2012 with an initial allocation of £0.375m. Following a tender process, the Trustees awarded a single grant of £0.37m to Vision Aid Overseas, a UK-based charity dedicated to fighting poverty by transforming access to eye care in developing countries, for a five year programme to increase access to eye care in the Eastern Province of Sierra Leone, one of the world's least developed countries.

In 2016, as part of the grant-making review, the Trustees agreed a further allocation of £0.75m over a period of up to five years from 2017.

Better Futures: the programme was established in 2013, with an allocation of £1.25m over five years. It aims to support organisations which deliver significant benefits to young people from disadvantaged and vulnerable backgrounds, particularly in light of the economic recession which has had a disproportionate effect on those groups, and the 2011 riots which highlighted the need for more services for the young people most affected by the downturn.

Following a tender process, the first Better Futures grants were awarded to Catch22 (£0.30m) and the YMCA England (£0.29m) in 2013 for projects working in this area. Further Better Futures grants were awarded in 2014 to RECLAIM (£0.14m) to work with young people from deprived areas of Manchester, and to One in a Million (£0.14m) to work with disadvantaged young people from deprived areas of Bradford. In 2015, one Better Futures grant was awarded to Making the Leap (£0.15m) for a project which will provide employment skills training and employment opportunities for bright but disadvantaged young Londoners who would otherwise be unlikely to succeed in the world of work. In 2016, a Better Futures grant was awarded to the Stephen Lawrence Charitable Trust (£0.15m) for a project supporting disadvantaged young people from deprived areas of south-east London into further or higher education, or employment.

Dramatic Arts: this programme has been allocated £1.25m over five years from 2014. It focuses on excellence in the dramatic arts, and on mainstream provision, and has two strands: an annual Clothworkers' Theatre Award of up to £150,000 which will concentrate on the English regions (excluding London); and bursaries and/or scholarships for students from disadvantaged backgrounds to study at a leading London-based drama school.

The first Theatre Award was made to the Theatre Royal Plymouth in 2014. The second Theatre Award was made in 2015 to York Theatre Royal. The third Theatre Award, in 2016, was to Northern Stage, Newcastle upon Tyne.

Awards were also made (in 2014) to the London Academy of Music and Drama (£0.18m), the Royal Academy of Dramatic Arts (£0.18m), and the National Youth Theatre (£0.05m) for the next five years for each to support a talented student from a disadvantaged background for the duration of their course. In addition, £0.04m was awarded to the Society of London Theatre to fund one of its annual Laurence Olivier bursaries for five years; these bursaries support talented students from disadvantaged backgrounds.

- ***Livery fund programme***

Three grants were also awarded from the Livery Fund (which does not accept applications), a sub-fund which receives donations from members of the Livery of The Clothworkers' Company, which are matched by the Company itself. Commitments for 2016 totalled £0.1m.

A detailed list of the grants made in excess of £10,000 is published in the Annual Review, and on the Foundation's website.

Future Plans

The Trustees are aware of their responsibility to ensure that the Foundation's charitable support remains focused, and to build on the priorities adopted during periodic reviews of grant-making policy. Accordingly, during 2017 they plan to:

1. Disburse the remaining budget allocations for the Better Futures, and Conservation, Proactive Grants Programmes.
2. Commission an external evaluation of the Better Futures Proactive Grants Programme.
3. Award further grants in the Visual Impairment in Developing Countries Proactive Grants Programme

STRUCTURE, GOVERNANCE AND MANAGEMENT

Membership

The Clothworkers' Company is the sole member of the Foundation.

Recruitment and Induction of Trustees

The Board of Trustees comprises between eight and fifteen individuals, drawn from the Court and Livery of the Company, who have a wide range of pertinent experience and qualifications. The Company's objective is for the Foundation to have a board of Trustees which is balanced as to age and skills, capable of formulating the policies and strategies of the Foundation, and able to provide direction to the Chief Executive and his staff on the conduct of its affairs. Trustees must retire no later than the July following their 70th birthday.

On their appointment, new Trustees are provided with a detailed induction package, including a copy of the Policy and Procedures Manual of the Foundation, which is a compilation of the key regulations, administrative arrangements, and codes of conduct by which the Foundation operates. All Trustees are expected to be conversant with their responsibilities.

Presentations are regularly made to the Trustees on topical issues by charities operating in key spheres of the Foundation's charitable activity.

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles contained within 'Accounting and Reporting by Charities – Statement of Recommended Practice' (the SORP).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

So far as each of the Trustees is aware, there is no relevant information that has not been disclosed to the Foundation's auditors and each of the Trustees believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Foundation's auditors have been made aware of that information.

Public Benefit

The Trustees confirm that they have paid due regard to the guidance of the Charity Commission in respect of public benefit in reviewing aims and objectives, and in planning future activities, setting grant-making policies and awarding grants.

Committees of the Board of Trustees

The Board of Trustees has delegated specific duties to a number of standing committees which deal with operational matters:

Grants Committee:	For assessment of grant applications under the main and regular programmes
Small Grants Committee:	For assessment of grant applications under the small grants programme
Proactive Grants Committees (currently two, including textiles):	For formulating proposals for new areas of grant-making under the proactive programme - and for assessing grants to be made in such areas, once determined
Finance, Investment and General Purposes Committee:	For financial and investment strategy/management and general matters
Property Committee:	For management of direct property investments

There is also a Livery Charity Committee which determines grants to be made from the Livery Fund.

Decision-making Processes

Trustees' meetings are held four times each year. The business of these meetings is, broadly, to develop strategy, to set and monitor objectives, and to consider reports and recommendations from the standing committees referred to above.

The standing committees are authorised to take decisions on operational matters within the policies previously agreed by the Trustees; their duties are laid down in the policy and procedures manual. In particular, grants of up to £25,000 may be approved by the relevant committee.

Committees have the ability to form sub-committees to deal with more detailed matters and for taking decisions in accordance with delegated authorities agreed by the Trustees. Currently, there are two standing sub-committees, both reporting to the Finance, Investment and General Purposes Committee: Budget, and Risk and Audit.

The duties of these sub-committees reflect their areas of specialism. In particular, the Budget Sub-Committee recommends the annual budget, and undertakes detailed monitoring of the budget throughout the year. The principal duties of the Risk and Audit Sub-Committee are as follows: to determine the nature and scope of the audit, request specific investigations from the auditors from time to time, and consider any issues arising therefrom; to ensure that the assets and funds are accounted for and safeguarded; to ensure that adequate financial controls are maintained; to monitor compliance in all respects; and to review risk exposure and ensure that appropriate steps are taken to mitigate risks.

Risk Assessment – Principal Risks and Uncertainties

The major risks to which the Foundation is exposed, as identified by the Trustees, have been reviewed, and systems have been established to manage those risks; this process is overseen by the Risk and Audit Sub-Committee. In particular, risk is an important component of the budgeting process.

Accordingly, the Foundation has established prudent investment and spending policies. Most of its general income is derived from its listed investment portfolio, or as a donation from The Clothworkers' Company, the latter being ultimately derived from listed and property investments. The policy is to spend all available income, subject to reserving requirements.

Although the Foundation has received a significant annual donation from The Clothworkers' Company for many years, there is no contractual entitlement to such funds. Accordingly, there is no assurance that these donations will continue, although the Company has not given any indication of a change in policy.

The Trustees consider that, since the nature of the Foundation's grant-making activity involves very little by way of un-accrued future commitments, it is unlikely that any unplanned reduction in funds available for grants would have an impact on beneficiaries to whom commitments have already been made. Furthermore, the maintenance of general reserves allows commitments to be fulfilled in a timely fashion.

However, it is recognised that the recent economic downturn, and continuing public spending reductions, have necessarily exerted some pressure on the finances of many charities. Accordingly, as in previous years, the Foundation seeks, through its assessment and monitoring procedures, to ensure that its funds are deployed in a manner most likely to achieve advancement of its charitable objectives.

Connected Charities and Restricted Funds

Until 2013, The Clothworkers' Foundation was the corporate trustee of three Trusts and of The Clothworkers' Foundation Common Investment Fund (the CFCIF). In that year, with the concurrence of the Charity Commission, the assets of the three Trusts were transferred to the Foundation, to be held as restricted funds of the Foundation going forward, and the CFCIF was liquidated.

The Trustees intend to apply the income and assets contained within the three restricted funds in accordance with the trust deeds of the three liquidated Trusts.

Further information about the transfer and the restricted funds is contained within notes 1(i) and 14.

Related Party Transactions

The Clothworkers' Foundation is a related party of The Clothworkers' Company and its subsidiary companies. The Clothworkers' Company is a City of London Livery Company. Further details of related parties, and any associated transactions, are disclosed in note 16.

The policy of the Foundation, in respect of potential related party transactions involving Trustees, is to avoid any conflicts of interest. Accordingly, when a Trustee has a material interest in any matter being considered by the Foundation, that Trustee does not participate in the decision-making process. Furthermore, where a potential conflict of interest arises such that the conflicted member has the power to significantly alter the policies or decisions of the Foundation, such potential conflicts are disclosed in note 16.

FINANCIAL REVIEW AND PERFORMANCE

Investment Policy

The Foundation seeks to maximise the total return on its portfolio, within the constraints imposed by the need to control risk.

The assets of the Foundation (incorporating those of the three liquidated Trusts) are allocated in accordance with the results of the investment strategy review, conducted in late 2009. The adopted asset allocation seeks to achieve greater diversification and enhance risk control, and encompasses UK equities, overseas equities, emerging market equities, fixed interest, commodities and diversified property units; there is also one direct property holding. This allocation is managed in conjunction with six managers and, excepting the direct property investment, the entire portfolio is held in the form of unitised investments.

A further strategy review has been performed during 2016, the results of which will be implemented during 2017. This will encompass some moderate changes to asset allocation and management arrangements.

The primary strategic long-term investment objective is the requirement that the overall investment portfolio should perform in accordance with the FTSE All-Share Index. In addition, there is a secondary objective that the portfolio should maintain its value in real terms over time, as measured by the Retail Price Index.

The Foundation uses the income arising from the portfolio in furtherance of its charitable objectives, and those of its restricted funds. It also considers the capital return earned on its portfolio, and any further endowment donations received, and is prepared to utilise some of its expendable endowment to support current grant-making if it is considered appropriate to do so.

Funds of the Foundation and Reserves Policy

The net assets of the Foundation are divided between 'restricted funds' and 'unrestricted funds' as set out below:

- **Restricted Funds**

Permanent Endowment Fund: this fund totals £49.04m (2015: £42.84m) and represents donations received which were subject to a condition requiring their permanent retention as an endowment. Income arising is transferred to the General Fund.

Expendable Endowment Fund: this fund totals £12.74m (2015: £9.98m) and represents donations received which were subject to a condition requiring their retention as an endowment, but allowing the Trustees to spend the fund in accordance with the Foundation's objects if they so decide. Currently, the Trustees are retaining the whole of the fund as an endowment, although income arising is transferred to the General Fund.

Members' Endowment Fund: this fund totals £0.17m (2015: £0.13m) and represents donations received from members of the Livery of The Clothworkers' Company, which were subject to a condition requiring their retention as an endowment. Income arising is transferred to the Livery Fund.

Other restricted funds: there are three further restricted funds totalling £41.70m (2015: £36.50m) which represent the capital of three Trust funds transferred to the Foundation in 2013. The income arising on these three funds is used to fund grants which correspond with the objects of the three Trust funds; however, the capital is currently retained to act as an endowment.

- **Unrestricted Funds**

Designated Capital Fund: this fund totals £75.81m (2015: £66.22m) and was established in 1996 to represent the capital of the Foundation at that time (see Note 1(j)), and to act as a fund to generate income for the benefit of future beneficiaries. It is the intention of the Trustees to continue to maintain this fund going forward, although income arising is transferred to the General Fund.

Livery Fund: this Fund was established in 2005 to receive donations from members of the Livery of The Clothworkers' Company. All such donations (other than those credited to the Members' Endowment Fund – see above) are used to fund grants to charities selected by the Livery Charity Committee of the Foundation. The balance at 31 December 2016 was £7,627 (2015: £14,024).

General Fund: this fund is credited with all income arising, excepting amounts credited to the Livery Fund, or restricted funds, as set out above. It is the intention of the Trustees to distribute all such income each year, subject only to the agreed general reserves policy, as described below.

- **General Reserves Policy:** during 2016, the Trustees reviewed the level of the General Fund. The previous policy was for the balance on the Fund to be set at the level of 15% (+/- 2%) of anticipated (General Fund) income for the year. After due consideration, the Trustees decided that it would be appropriate to continue to maintain the size of the General Fund at this level, in order to allow the Foundation to fulfill its commitments in a timely fashion.

At 31 December 2016 the balance on the General Fund totalled £0.73m (2015: £0.94m) which was equivalent to 17% (2015: 19%) of total (General Fund) income. The Trustees intend to distribute the excess reserves during 2017.

Income

Total income in 2016 was £6.82m (2015: £10.12m). Of this total, £2.43m (2015: £6.13m) was received as donations, of which £1.32m (2015: £4.10m) were subject to a restriction that they be used as an expendable endowment (see note 1(g)). Donations of £0.09m (2015: £0.09m) were also received into the Livery Fund (see note 1(k)), and £0.02m (2015: £0.02m) was credited to the Members' Endowment Fund (see note 1 (h)).

Expenditure

Grants to charitable organisations totalling £5.39m (2015: £5.08m) were committed during the year (see note 5). Cancelled and returned grants accrued in earlier years totalled £0.15m (2015: £0.09m). A detailed list of grants awarded is published on the Foundation's website (www.clothworkers.co.uk).

Total expenditure during the year, excluding grants, was £0.76m (2015: £0.92m), of which the cost of generating funds totalled £0.22m (2015: £0.25m).

Investment Performance

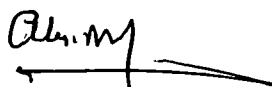
The disposition of assets is shown below:

	2016 %	2015 %
UK equity units	39	40
Overseas equity units	24	24
Emerging markets units	6	4
Fixed interest units	3	3
Diversified property units	7	7
Commodities units	2	2
Direct freehold property	20	20
	<u>100</u>	<u>100</u>

Over the course of 2016, after allowing for new funds received, the value of the Foundation's investment assets (including property) increased by 14.7%. The FTSE All-Share Index, against which the Fund benchmarks itself, increased by 12.5%, whilst RPI increased by 2.5%. Investment income received increased by 10.3%.

AUDITORS

haysmacintyre have signified their willingness to continue in office as auditors.



Alex Nelson
Chairman

Clothworkers' Hall
Dunster Court
Mincing Lane
London EC3R 7AH

16 May 2017

THE CLOTHWORKERS' FOUNDATION
INDEPENDENT AUDITORS' REPORT TO THE SOLE MEMBER

We have audited the financial statements for the year-ended 31 December 2016 on pages 15 to 27. 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).

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to the member in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the charity's state of affairs as at 31 December 2016 and of its net movement in funds, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

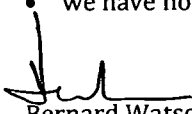
- The information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.


Bernard Watson FCA DChA (Senior Statutory Auditor)
For and on behalf of haysmacintyre
26 Red Lion Square
Chartered Accountants
Statutory Auditors

16 May 2017

London
WC1R 4AG

THE CLOTHWORKERS' FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds (note 12)		Restricted Funds (notes 13, 14)		Total	Total
		General & Livery (notes 1k, 1l)	Designated Capital (note 1j)	Endowments (notes 1f, 1g,1h)	Other (note 1i)		
		2016	2016	2016	2016	2016	2015
		£	£	£	£	£	£
INCOME							
Donations	2	1,092,552	-	1,340,913	-	2,433,465	6,131,299
Rental income		1,531	-	-	469	2,000	2,000
Investment income	3	3,354,847	-	-	1,025,993	4,380,840	3,971,038
Deposit interest and other income		7,527	-	-	-	7,527	10,875
Total Income		4,456,457	-	1,340,913	1,026,462	6,823,832	10,115,213
EXPENDITURE							
Costs of generating funds	4	2,470	93,804	74,997	51,624	222,895	251,355
Charitable activity:							
Grants to charitable organisations	5	4,128,610	-	-	1,103,400	5,232,010	4,984,732
Support costs	6	535,657	-	-	-	535,657	673,191
Costs of grant-making		4,664,267	-	-	1,103,400	5,767,667	5,657,923
Total Expenditure		4,666,737	93,804	74,997	1,155,024	5,990,562	5,909,278
Operating (deficit)/surplus		(210,280)	(93,804)	1,265,916	(128,562)	833,270	4,205,933
Gains /(losses) on investments:							
- realised	7	-	(62,906)	(50,293)	(34,619)	(147,818)	(20,439)
- unrealised	7	-	9,752,008	7,796,817	5,366,885	22,915,710	4,464,015
Net income		(210,280)	9,595,298	9,012,440	5,203,704	23,601,162	8,649,509
Fund balances brought forward at 1 January		951,435	66,215,536	52,939,901	36,499,650	156,606,522	147,957,013
Fund balances carried forward at 31 December		741,155	75,810,834	61,952,341	41,703,354	180,207,684	156,606,522

The Statement of Financial Activities incorporates the Statement of Income.
All income and expenditure is derived from continuing operations.

The notes on pages 19 to 27 form part of these accounts.

THE CLOTHWORKERS' FOUNDATION
SUMMARY INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2016

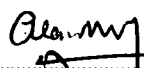
	2016	2015
	£	£
Total income of continuing operations	5,482,919	6,012,909
Total expenditure of continuing operations	<u>(5,915,565)</u>	<u>(5,825,421)</u>
Net expenditure for the year	<u>(432,646)</u>	<u>187,488</u>

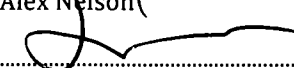
The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 15 which, together with the notes to the accounts on pages 19 to 27, provides full information on the movements during the year of all the funds of the Foundation.

THE CLOTHWORKERS' FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

		2016		2015	
	Notes	£	£	£	£
FIXED ASSETS					
Investments at market value:					
Listed investments	7		143,276,665		124,850,552
Freehold property	7		35,000,000		30,700,000
Cash at bank and on deposit	9		109,561		45,708
			<u>178,386,226</u>		<u>155,596,260</u>
CURRENT ASSETS					
Debtors	8	2,361,765		1,468,931	
Cash at bank and on deposit	9	2,823,465		3,075,318	
		<u>5,185,230</u>		<u>4,544,249</u>	
CREDITORS					
Amounts falling due within one year	10	<u>(3,030,022)</u>		<u>(3,081,387)</u>	
NET CURRENT ASSETS					
			2,155,208		1,462,862
			<u>180,541,434</u>		<u>157,059,122</u>
CREDITORS					
Amounts falling due after more than one year	11		(333,750)		(452,600)
NET ASSETS					
	15		<u>180,207,684</u>		<u>156,606,522</u>
RESTRICTED FUNDS					
Permanent Endowment Fund	1(f), 13, 15		49,042,971		42,835,652
Expendable Endowment Fund	1(g), 13, 15		12,742,389		9,977,683
Members' Endowment Fund	1(h), 13, 15		166,981		126,566
Other restricted funds	1(i), 14, 15		41,703,354		36,499,650
UNRESTRICTED FUNDS					
Designated Capital Fund	1(j), 12, 15		75,810,834		66,215,536
Livery Fund	1(k), 12, 15		7,627		14,024
General Fund	1(l), 12, 15		733,528		937,411
TOTAL FUNDS					
			<u>180,207,684</u>		<u>156,606,522</u>

The notes on pages 19 to 27 form part of these accounts.



 Alex Nelson


 John Wake

Chairman of The Clothworkers' Foundation

Chairman of the Finance, Investment
and General Purposes Committee

16 May 17

 Date
 16 May 17

 Date

Company No. 1321952

THE CLOTHWORKERS' FOUNDATION
CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2016

		2016	2015
	Notes	£	£
Net cash (outflow) from operating activities	11	(5,740,634)	(3,607,559)
Cash flows from investing activities			
Investment income receipts		4,160,415	3,722,952
Rental and interest income		9,527	12,875
Purchases of investments		(1,938,221)	(1,983,578)
Sales of investments		1,980,000	1,980,000
Net cash inflow from investing activities		4,211,721	3,732,249
Cash flows from financing activities			
Endowment donations received		1,340,913	266,657
Increase in cash awaiting investment		(63,853)	(14,993)
Net cash inflow from financing activities		1,277,060	251,664
(Decrease)/increase in cash and cash equivalents		(251,853)	376,354

ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	Short-term deposits	Cash at bank	Total
	£	£	£
At 1 January 2015	2,467,449	231,515	2,698,964
Net cash (outflow)/inflow	(188,666)	565,020	376,354
At 31 December 2015	2,278,783	796,535	3,075,318
Net cash (outflow)/inflow	(2,278,783)	2,026,930	(251,853)
At 31 December 2016	-	2,823,465	2,823,465

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments to market value and in accordance with applicable accounting standards. They are prepared in accordance with the requirements of the revised Statement of Recommended Practice, *Accounting and Reporting by Charities (FRS102)*, issued by the Charity Commission in 2015. The principal accounting policies adopted are described below and are consistent with previous years.

(b) Investments

Investments are stated at market value and consist of units in listed investment funds, and cash awaiting investment. Gains and losses on the sale and restatement of investments are shown in the Statement of Financial Activities.

(c) Income

Rents, dividend income, deposit interest, loan stock interest and donations are accounted for on a receivable basis.

(d) Costs of generating funds

These are the costs of managing listed and property investments. Investment management fees suffered within fund investments are grossed up, based on the fee rate applied to market value.

(e) Grants to charitable organisations

Grants are accounted for in the year in which a binding obligation arises. Where there is an intention to make a grant which will be payable in a future year, and which is subject to the fulfilment of appropriate terms and conditions, an accrual will not be made unless the conditions have been fulfilled by the balance sheet date, or are dependent on an external event over which the Foundation has no control. However, where all of the conditions have been met, it is the Foundation's policy that such grants are subject to the receipt and review of a satisfactory report before payment can proceed; therefore, no binding obligations will arise in respect of such commitments until the Foundation has confirmed the relevant grant.

Returned and cancelled grants accrued in prior years are deducted from grant commitments rather than being included within 'incoming resources'.

(f) Permanent Endowment Fund

The permanent endowment has been received by way of donations over a number of years. All such donations have been made subject to a restriction, stipulated by the donors, that the capital should be invested and not distributed. However, the income arising from the invested capital is to be used for general purposes and is, therefore, included in the General Fund. An appropriate proportion of the costs of generating income is charged to this Fund. Also included within this Fund is the capital transferred from the Charity of Margaret Holligrave in 2004 (see note 13).

(g) Expendable Endowment Fund

The expendable endowment has been received by way of donations over a number of years subject to a condition that capital could be retained or distributed as the Trustees determined. The income arising from the invested capital is to be used for general purposes and is, therefore, included in the General Fund. An appropriate proportion of the costs of generating income is charged to this Fund.

(h) Members' Endowment Fund

At 1 January 2011, £3,000 was transferred from the Permanent Endowment Fund to a new Members' Endowment Fund. This amount represented certain legacies, lifetime gifts and (non-Livery Fund) donations from members of The Clothworkers' Company, relating to the years 2001 to 2009, plus accumulated capital appreciation. Subsequent endowment donations from such members have also been credited to this Fund, and investment income arising from its assets is credited to the Livery Fund. An appropriate proportion of the costs of generating income is also charged to the Members' Endowment Fund.

1. ACCOUNTING POLICIES (continued)

(i) Other restricted funds

During 2013, the Foundation applied to The Charity Commission for permission to pay the assets of the three Trusts, for which it acted as corporate trustee, to The Clothworkers' Foundation. The transfer was in accordance with section 282 of the Charities Act 2011 and, having gained the consent of the Commission, it took place as at 3 October 2013.

The assets transferred, and the income arising on those assets, are administered by the Foundation as restricted funds, with grants being made to beneficiaries broadly in accordance with the objects and distribution policies of the three original charities (see note 14).

Subsequently, the Foundation also gained the consent of the Charity Commission to liquidate The Clothworkers' Foundation Common Investment Fund, and transfer all of its investments to the direct ownership of The Clothworkers' Foundation; this was given effect in December 2013.

(j) Designated Capital Fund

The Designated Capital Fund was set aside in 1996 out of unrestricted funds for the purpose of providing for the furtherance of the charitable aims of the Foundation. The Fund represented the disposal proceeds arising from the sale of a leasehold property investment in 1994, together with the amounts previously retained in recognition of the depreciation of the lease. Although the Fund is not restricted, it is the Trustees' intention to maintain it over the long term in order to generate resources for future beneficiaries. Income arising from the Fund is credited to the General Fund. An appropriate proportion of the costs of generating income is charged to the Designated Capital Fund.

(k) Livery Fund

The Livery Fund was established in 2005 and is made up of regular donations from the membership of The Clothworkers' Company, which are matched by donations from the Company itself. Investment income arising on the Members' Endowment Fund is also credited to the Livery Fund (see note 12). The income of the Fund is distributed annually; distributions are recommended by the Livery Charity Committee, taking into account preferences expressed by the donors regarding the selected beneficiary charities of the year. In the event of a deficit arising on the Livery Fund, a compensating transfer is made from the General Fund.

(l) General Fund

With the exception of restricted donations, and investment income allocated to the Livery Fund and restricted funds, all income arising is credited to the General Fund. Expenditure on support costs and governance is charged to the General Fund. The level of grants is determined with reference to the agreed reserves policy.

2. DONATIONS

	Unrestricted Funds		Restricted Funds		TOTAL	TOTAL
	General Fund	Livery Fund	Expendable Endowment Fund	Members' Endowment Fund		
	2016	2016	2016	2016	2016	2015
	£	£	£	£	£	£
The Clothworkers' Company	709,126	44,998	1,318,839	11,037	2,084,000	5,898,647
Ramteazle Limited	113,000	-	-	-	113,000	118,000
SH42CW Limited	180,000	-	-	-	180,000	40,000
Member donations	-	44,998	-	11,037	56,035	53,965
Other donations	430	-	-	-	430	20,687
	1,002,556	89,996	1,318,839	22,074	2,433,465	6,131,299

2. DONATIONS (continued)

Member donations are received from members of the Livery of The Clothworkers' Company, including Gift Aid recoveries, and are credited to the Livery Fund or Members' Endowment Fund in accordance with each member's wishes.

Of the £5,898,647 donated in 2015 by The Clothworkers' Company, £3,835,647 was received as listed investment units.

3. INVESTMENT INCOME

Investment income arises from units held in various listed investment funds; these funds are invested in UK equities, overseas equities, fixed interest, diversified property funds, and a commodities fund.

4. COSTS OF GENERATING FUNDS

The cost of generating funds consists of listed investment management fees and investment property management costs; these are charged to the Designated Capital Fund and the endowment funds in proportion to the investment holdings of each fund.

Some additional fees are also incurred in respect of the Foundation's cash management service; these are charged to income (General Fund).

5. CHARITABLE GRANTS

	2016	2015
	£	£
Alcohol and Substance Misuse	81,100	43,300
Disabled People	1,546,950	1,271,400
Disadvantaged Young People	866,025	1,351,550
Disadvantaged Minority Communities	512,450	226,750
Domestic and Sexual Violence	34,400	206,000
Homelessness	641,600	194,400
Older People	367,700	217,700
Prisoners and Ex-Offenders	181,800	114,500
Visual Impairment	172,500	182,800
Textiles	460,050	606,550
Proactive - Better Futures	150,000	150,000
Proactive - Conservation	62,985	172,513
Proactive - Dramatic Arts	150,000	150,000
Other	158,300	191,600
Total grant commitments	<u>5,385,860</u>	<u>5,079,063</u>
Returned /cancelled grants	<u>(153,850)</u>	<u>(94,331)</u>
Total grants	<u><u>5,232,010</u></u>	<u><u>4,984,732</u></u>

Details of grants made are published on the Foundation's website (www.clothworkers.co.uk).

Eleven grants accrued in a prior year were returned or cancelled (2015: seven).

THE CLOTHWORKERS' FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

6. SUPPORT COSTS

	2016 £	2015 £
Administrative services provided by Ramteazle Ltd:		
Staff costs	317,639	357,062
Other costs	193,361	267,938
	<u>511,000</u>	<u>625,000</u>
Direct costs:		
Auditors' remuneration – audit services	7,100	6,900
- non-audit services	-	750
Trustees' expenses	2,780	1,219
Other governance costs	6,018	6,133
Give As You Earn - matching	840	21,010
Other support costs	7,919	12,179
	<u>535,657</u>	<u>673,191</u>

No staff are directly employed by the Foundation. Staff costs are incurred by Ramteazle Limited, from which the Foundation purchases administrative services in accordance with its service agreement. The Foundation's share of total remuneration paid to key management personnel provided as part of this service was £127,221.

No Trustee may receive any salary or fees or receive any remuneration or other benefit, other than expenses reimbursed, from the Foundation save as expressly permitted by the Articles of Association. During the year no such payments were made (2015: none). The expenses above related to travel and accommodation costs only and were paid to six Trustees (2015: three).

7. INVESTMENTS AT MARKET VALUE

	2016 £	2015 £
Listed investments		
Carrying value at 1 January	124,850,552	119,910,821
Listed investments received	-	3,835,647
Add: Acquisitions at cost	1,938,221	1,983,578
Less: disposals at carrying value (proceeds: £1,980,000)	(2,127,818)	2,000,439
Net gain on revaluation at 31 December	18,615,710	(635,985)
Market value at 31 December	<u>143,276,665</u>	<u>124,850,552</u>
Freehold property		
Carrying value at 1 January	30,700,000	25,600,000
Net gain on revaluation at 31 December	4,300,000	5,100,000
Market value at 31 December	<u>35,000,000</u>	<u>30,700,000</u>
Cash to be invested	<u>109,561</u>	<u>45,708</u>
Total Investments at Market Value	<u>178,386,226</u>	<u>155,596,260</u>

**THE CLOTHWORKERS' FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016**

8. DEBTORS

	2016 £	2015 £
Accrued income	2,345,850	1,462,881
Other debtors	15,915	6,050
	<u>2,361,765</u>	<u>1,468,931</u>

Accrued income includes an unpaid donation of £2,001,000 (2015: £1,200,000) from The Clothworkers' Company and its subsidiaries.

9. CASH AND DEPOSITS

At 31 December 2016 all money on short-term deposit was held in interest-bearing bank accounts. An additional sum of £109,561 (2015: £45,708) was derived from endowment donations and equalisation received, and is consequently reported as part of the investment portfolio.

10. CREDITORS

	2016 £	2015 £
Amounts falling due within one year		
Grants payable	3,029,522	2,959,837
Rent receivable in advance	500	500
Other creditors	0	121,050
	<u>3,030,022</u>	<u>3,081,387</u>
Amounts falling due after more than one year		
Grants payable	<u>333,750</u>	<u>452,600</u>

**11. RECONCILIATION OF OPERATING SURPLUS
TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Operating surplus	833,270	4,205,933
Investment and property management expenses	220,425	248,085
Donations received into endowed funds	(1,340,913)	(4,102,304)
Investment income receivable	(4,380,840)	(3,971,037)
Rental income receivable	(2,000)	(2,000)
Interest receivable	(7,527)	(10,875)
(Increase) in debtors	(892,834)	(207,600)
(Decrease)/increase in creditors	(170,215)	232,239
Net cash (outflow) from operating activities	<u>(5,740,634)</u>	<u>(3,607,559)</u>

**THE CLOTHWORKERS' FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016**

12. UNRESTRICTED FUNDS

	General Fund £	Livery Fund £	Designated Capital Fund £	Total £
Balance at 1 January 2015	493,585	1,684	64,603,259	65,098,528
Donations (see note 2)	1,939,637	89,358	-	2,028,995
Rental income	1,516	2	-	1,518
Investment income	3,010,841	2,780	-	3,013,621
Deposit interest and other income	10,875	-	-	10,875
Costs of generating funds	(3,270)	-	(105,931)	(109,201)
Support costs	(673,191)	-	-	(673,191)
Realised losses on investments	-	-	(8,727)	(8,727)
Grants to charitable organisations	(3,842,582)	(79,800)	-	(3,922,382)
Unrealised gains on investments	-	-	1,726,935	1,726,935
Balance at 31 December 2015	937,411	14,024	66,215,536	67,166,971
Donations (see note 2)	1,002,556	89,996	-	1,092,552
Rental income	1,529	2	-	1,531
Investment income	3,351,342	3,505	-	3,354,847
Deposit interest and other income	7,527	-	-	7,527
Costs of generating funds	(2,470)	-	(93,804)	(96,274)
Support costs	(535,657)	-	-	(535,657)
Grants to charitable organisations	(4,028,710)	(99,900)	-	(4,128,610)
Realised losses on investments	-	-	(62,906)	(62,906)
Unrealised gains on investments	-	-	9,752,008	9,752,008
Balance at 31 December 2016	733,528	7,627	75,810,834	76,551,989

General Fund

All income and costs are credited or debited to the General Fund, excluding those amounts which must be credited or debited to other Funds. All grants are debited to the General Fund unless they are assigned to the Livery Fund, Expendable Endowment Fund, or other restricted funds.

Livery Fund

The Livery Fund is credited with donations from members of the Livery of The Clothworkers' Company, and matching donations from the Company itself. The Fund is also credited with rental income and investment income derived from the Members' Endowment Fund. Grants debited are determined by the Livery Charity Committee.

Designated Capital Fund

The Designated Capital Fund was established for the reasons explained in note 1(j). All income arising is credited to the General Fund.

**THE CLOTHWORKERS' FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016**

13. ENDOWMENT FUNDS

	Expendable endowment £	Permanent endowment – general £	Permanent endowment – Margaret Holligrave £	Members' endowment £	Total £
Balance at 1 January 2015	5,407,262	34,924,109	6,868,544	105,314	47,305,229
Donations (see note 2)	4,083,732	-	-	18,572	4,102,304
Costs of generating funds	(15,156)	(57,266)	(11,262)	(173)	(83,857)
Realised losses on investments	(1,249)	(4,718)	(928)	(14)	(6,909)
Unrealised gains on investments	503,094	933,568	183,605	2,867	1,623,134
Balance at 31 December 2015	9,977,683	35,795,693	7,039,959	126,566	52,939,901
Donations (see note 2)	1,318,839	-	-	22,074	1,340,913
Costs of generating funds	(14,135)	(50,710)	(9,973)	(179)	(74,997)
Realised losses on investments	(9,479)	(34,006)	(6,688)	(120)	(50,293)
Unrealised gains on investments	1,469,481	5,271,873	1,036,823	18,640	7,796,817
Balance at 31 December 2016	12,742,389	40,982,850	8,060,121	166,981	61,952,341

Permanent endowment Fund

This Fund includes the capital portion of the Charity of Margaret Holligrave which was transferred to the Foundation by a Scheme of the Charity Commission dated 9 March 2004; the value of the capital portion of the Charity at that date was £3,943,763. At 31 December 2016, the portion of the Fund representing the capital of the Charity was valued at £8,060,121 (2015: £7,039,959). The Scheme permitted income arising from the endowment to be distributed for such charitable purposes as the Foundation shall determine. All income arising is credited to the General Fund.

Expendable endowment Fund

Donations have been received from The Clothworkers' Company over a number of years with the express intention that they be treated as an expendable endowment fund. The gifts were made with the instruction that the capital should be used as an endowment but could be distributed should the Trustees decide to do so in the future. All income arising is credited to the General Fund.

Members' endowment Fund

Donations are received from members of The Clothworkers' Company. Where the member stipulates that the donation should be retained and invested, it is credited to the Members' Endowment Fund. All such donations are matched by The Clothworkers' Company. All income arising is credited to the Livery Fund.

THE CLOTHWORKERS' FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

14. OTHER RESTRICTED FUNDS

Other restricted funds relate to resources transferred from three Trusts in 2013, plus subsequent net income and investment gains and losses (see note 1(i)). Grants are made in accordance with the objects of the original charities, as set out below:

	Education	Relief in	Welfare of	Total
	£	Need	the Blind	£
		£	£	
Balance at 1 January 2015	7,086,647	20,060,207	8,406,402	35,553,256
Rental income	96	272	114	482
Investment income	191,007	540,061	226,349	957,417
Costs of generating funds	(11,620)	(32,893)	(13,784)	(58,297)
Grants to charitable organisations	(222,900)	(611,650)	(227,800)	(1,062,350)
Realised losses on investments	(957)	(2,710)	(1,136)	(4,803)
Unrealised gains on investments	246,729	614,574	252,642	1,113,945
Balance at 31 December 2015	7,289,002	20,567,861	8,642,787	36,499,650
Rental income	94	264	111	469
Investment income	204,585	578,709	242,699	1,025,993
Costs of generating funds	(10,290)	(29,128)	(12,206)	(51,624)
Grants to charitable organisations	(218,500)	(613,900)	(271,000)	(1,103,400)
Realised losses on investments	(6,900)	(19,533)	(8,186)	(34,619)
Unrealised gains on investments	1,069,760	3,028,153	1,268,972	5,366,885
Balance at 31 December 2016	8,327,751	23,512,426	9,863,177	41,703,354

Investment management costs are charged against each Fund, but other running costs are met by the General Fund of the Foundation.

Where the objects of a Fund require that preference is given to a particular constituency when applying a proportion of the income, the Trustees give precedence to such appeals when considering applications.

Education:

The income is used to advance the education of the public, with preference in respect of 75% of the income being given to persons under age 25 who live in, or attend educational establishments in, or whose parents live in, Greater London.

Relief in Need:

A minimum of 92.5% of the income is used to relieve hardship, subject to the following preferences:

- (i) 4% to people who reside in the London Boroughs of Islington and Camden; then to people who reside in neighbouring Boroughs and then to people who reside in Greater London;
- (ii) 3% to people who reside in Greater London, then to people who live in neighbouring counties; and then to people who reside in the remainder of the UK.

Welfare of the Blind:

A minimum of two-thirds of the income is used to relieve hardship of people in the UK who are visually impaired.

THE CLOTHWORKERS' FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds			Endowment funds (see note 13)	Other restricted funds (see note 14)	Total Funds 2016
	General	Livery	Designated Capital			
	£	£	£	£	£	£
Investments at market value	-	-	75,810,834	60,744,367	41,721,464	178,276,665
Fixed asset cash	-	-	-	109,561	-	109,561
Current assets	3,446,600	7,627	-	1,098,413	632,590	5,185,230
Current liabilities	(2,488,822)	-	-	-	(541,200)	(3,030,022)
Long term creditors	(224,250)	-	-	-	(109,500)	(333,750)
	<u>733,528</u>	<u>7,627</u>	<u>75,810,834</u>	<u>61,952,341</u>	<u>41,703,354</u>	<u>180,207,684</u>

Total funds include revaluation reserves of £32,207,993 (2015: £14,538,436).

16. RELATED PARTY TRANSACTIONS

The Trustees of The Clothworkers' Foundation are all members of the Livery of The Clothworkers' Company, which means that the two organisations are related parties. All transactions were entered into on normal commercial terms.

Transactions concerning related parties were as follows:

	2016 £	2015 £
Amounts received/(paid)		
Donations:		
The Clothworkers' Company	2,084,000	5,898,647
Ramteazle Limited	113,000	118,000
SH42CW Limited	180,000	40,000
Administrative service charges:		
Ramteazle Limited	(511,000)	(625,000)
Debtors/(creditors)		
The Clothworkers' Company	1,888,000	1,200,000
Ramteazle Limited	119,733	(120,820)

Ramteazle Limited is a wholly owned subsidiary of The Clothworkers' Company.

Appropriate enquiries having been made, there were no transactions during the year which involved a potential conflict of interests for any Trustee.