

CRIPPLEGATE FOUNDATION

Annual Report and Financial Statements
for the year ended 31st December 2018

Registered Charity No: 207499
13 Elliott's Place, London N1 8HX
www.cripplegate.org

We transform lives for people in Islington.
We're independent, and trusted.
The money we give improves lives for
local people, building a better future for us all.

Cripplegate Foundation Helping since 1500

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REPORT OF THE TRUSTEE

Introduction

In 2018 Cripplegate Foundation continued to address its mission of addressing poverty and inequality through its strong partnerships with residents, voluntary organisations, businesses and funders from our area of benefit, and further afield. It continued to hone its relational approach to grant-making and test new ways of involving the community in local decision making.

Cripplegate Foundation awarded £1,199,595 through its grants programme, supporting voluntary organisations and providing financial support to individuals to pursue opportunities and meet urgent needs.

In 2018 the Foundation:

- Invested in partnerships, principally Islington Giving to increase our reach and impact. Islington Giving was nominated for a Charity Award in June 2018;
- Partnered with the London Borough of Islington to develop opportunities through Islington Council's Community Chest and Islington's Residents' Support Scheme and explored a ten-year partnership between Islington Giving and Islington Council;
- Continued to test a relational approach to working with people through our Development Partners;
- Funded the Catalyst programme, enabling residents to pursue opportunities they otherwise could not afford, to build confidence, networks and skills;
- Helped to increase essential welfare rights and legal support for vulnerable residents;
- Launched the Young Grant-Makers programme through Islington Giving, giving 15 Islington young people direct involvement in grant making decisions;
- Awarded the first grants addressing Islington Giving's new strategy for supporting Islington families, 'A life not a service', to increase support for families in the borough;
- Brought over 150 people together in celebration of Small Charity Week, highlighting the achievements of local grassroots organisations supported through Islington Council's Community Chest;
- Launched a new brand identity and website for Islington Giving, designed to encourage more people, businesses, volunteers, and funders to come together to pioneer positive change;
- Undertook a review of data protection and IT practice and policy to comply with the GDPR that came into effect on 25th May 2018.
- Achieved accreditation as a Living Wage Friendly Funder
- Contributed to Institute for Voluntary Action Research work on sustainability in the voluntary sector, and cited in reports by Centre for London, GLA Philanthropy Review, the Office for Civil Society and Department for Digital, Culture, Media and Sport (DCMS), which highlighted the importance of place-based giving;

Cripplegate Foundation offers more than grants. We continue to invest in partnerships such as Islington Giving, open our offices to benefit voluntary organisations, and host the headquarters of Help on Your Doorstep, one of the organisations we support.

A Brief History of Cripplegate Foundation

The origin of the Foundation lies in gifts and donations for the poor and needy made to the Church of St. Giles Without Cripplegate. The parish, named after one of the gates in the walls around the City of London, extended to the north to include the ancient manor of Finsbury. Today, the medieval Church stands in the heart of the Barbican estate in the Cripplegate ward of the City of London.

The first recorded gift to the Church of St. Giles Without Cripplegate was by the Will of John Sworder dated 2nd April 1500. Many pious men and women followed his example, leaving benefactions for education or assisting the poor. In 1732, the parish of St. Giles was divided, with St. Luke's Old Street becoming responsible for the 'Lordship' part of the parish beyond the City Walls. The charitable funds were divided. Cripplegate Foundation was established in 1891 by a Charity Commission scheme made under the London Parochial Charities Act of 1883. It amalgamated all the non-ecclesiastical charitable donations previously administered as separate trusts. All the assets of the Vestry of the Parish of St. Giles Cripplegate which had been given for charitable purposes were transferred to the new Foundation. The Foundation built an Institute on Golden Lane with reading and reference libraries, classrooms, a theatre and even a rifle range. The Institute was run until 1973, latterly as a Secretarial College. It was then decided to close the Institute and become a grant giving trust.

On 1st April 2008 the Foundation's area of benefit was extended to cover the whole of Islington. At the same time it appointed Cripplegate Foundation Limited (a company limited by guarantee with Company Registration no. 6129936), which had been incorporated in February 2007, as the sole corporate trustee of the Foundation. The members and directors of Cripplegate Foundation Limited are referred to as Governors.

The work of the Foundation today is guided by research, evidence and consultation with Islington residents. In 2010, Cripplegate Foundation was part of a collaboration which launched Islington Giving, which is a restricted fund of the Foundation.

Objectives

The Foundation works to bring about change that will transform the lives of our most disadvantaged residents. Our area of benefit is the borough of Islington and parts of the Cripplegate ward of the City of London.

Cripplegate Foundation focuses its priorities and work around the following objectives:

- Responding to the needs of the local community and empower local people.
- Effecting change and increase resources for Islington.
- Demonstrating success to influence wider change.
- Challenging ourselves and our ways of working.
- Achieving diversity, openness and transparency.

The Foundation is working to develop and focus its strength in advocacy and policy influence. We are applying the five priorities above across all our work to this purpose; and we will develop our funding approach to reflect this.

The Foundation's governing document (a Charity Commission "scheme") states that its net income shall be applied to any or all of the following:

- 1) to provide or assist in providing, for persons resident or employed in the area of benefit, facilities for recreation or other leisure-time occupation in the interests of social welfare, with the object of improving the conditions of life for those persons;
- 2) the relief of persons resident in the area of benefit who are in need, hardship or distress by making grants of money to them or paying for goods, services, or facilities to those in need or making grants of money to other persons or bodies who provide goods, services or facilities to those in need;

- 3) to promote such charitable purposes for the general benefit of the inhabitants of the area of benefit as the trustee thinks fit.

Activities and Achievements in 2018

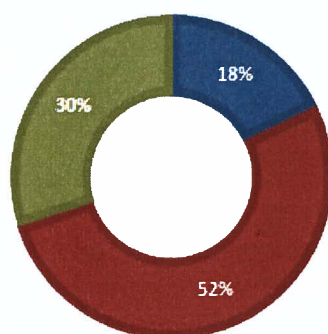
Governors review the Foundation's work to ensure that it addresses our aims and objectives. Beyond grant-making, the Foundation seeks to work in ways that apply all our assets to effect social change.

Grants

Grant making policy

We strive for best practice in our grant making and seek feedback from grantees and applicants so we can improve our programmes, policies and processes. We take a relational approach, and our priority is to learn alongside groups we support. Staff visit all applicants and attend meetings with local networks to gain a greater understanding of their work. We aim to offer multi-year funding and are committed to funding core costs to ensure organisations have the resources and capacity to support local residents. Appendix 2 lists details of the grants approved in 2018. The chart below shows the allocation of funding:

■ Islington Council's Community Chest ■ Islington Giving ■ Main Grants



Grants to Organisations

The Foundation awards grants to organisations through its own grants programmes as well as those we administer in partnership with other funders. The Foundation awarded a total of £1,199,595 to organisations in 2018.

1. **Cripplegate Foundation's grants programmes funded directly by the Foundation**

Through its Main Grants and Catalyst programmes, the Foundation awarded new grants of £359,501 in 2018 to 10 organisations.

The Foundation and its four Development Partners continued to work closely together in 2018. The Development Partner Programme is designed to offer 5-year core funding with additional funding to work in partnership. This gives partners security and space to plan and work both individually and collectively. The programme has a strong framework of regular engagement and communication and the issue it has chosen to address has been co-developed by the partnership. In 2018 the partners commissioned 4 short films to show how each organisation works in a relational way. The Development Partners hosted two sharing events in 2018 with the voluntary and public sectors to view and test the films and widen the conversation about the relational approach.

The Catalyst programme supported jointly by the Foundation and Cloudesley continued during 2018. This programme provides devolved budgets of up to £5,000 each to local organisations. Through their relationships with Islington residents, these organisations make awards of up to £500 to an individual for an item or experience that can help them connect with others or use and build their skills. In 2018 Cripplegate Foundation continued to fund 4 Catalyst partners, ceased funding 2 partners as they no longer provide Islington services and recruited 1 new Catalyst partner.

2. Islington Giving's programmes

Islington Giving is a restricted fund of Cripplegate Foundation. Islington Giving programmes are funded through donations from local people and businesses, as well as funding from trusts and foundations. Islington Giving has its own Board, and in 2018 its members were The Breadsticks Foundation, City Bridge Trust, Cloudesley, Cripplegate Foundation, Macquarie Group Foundation and The Morris Charitable Trust. In addition the Board recruited a member with fundraising and marketing skills. Two committees oversee the grants programme and fundraising and marketing strategy of Islington Giving. Ultimate responsibility remains with the Foundation's Governors.

Cripplegate Foundation administers Islington Giving and covers all its running costs. This means that all funds raised through Islington Giving are used directly to make Islington Giving grants. In 2018 Cripplegate Foundation's contribution to Islington Giving was £216,809 (2017: £176,375) in staff time, plus support costs of £36,500 (2017: £33,284) and direct campaign costs of £80,377 (2017: £29,798) giving a total contribution of £333,686 (2017: £239,457). In addition, as a coalition partner Cripplegate Foundation contributed £50,000 towards the Islington Giving grants programme for the year.

In 2018 grants totalling £626,840 (Appendix 2 shows a full breakdown of grants) were made to 30 projects across three key themes:

- Investing in young people
- Supporting families
- Reaching isolated people

3. Islington Council's Community Chest

Islington Council and Cripplegate Foundation jointly fund the Community Chest programme of small grants which are administered by the Foundation. A panel comprising three Cripplegate Governors, three Community Network representatives and three Councillors, chaired by the Council's Executive Member for Community Development takes decisions on grant recommendations. A total of £213,254 of grants of up to £5,000 (including one two-year grant for £10,000) each were awarded in 2018 to 49 organisations with turnover of less than £100,000 a year. Cripplegate Foundation contributed £50,000 in 2018. In October 2018 Cripplegate Governors approved a contribution of £50,000 to Islington Council's Community Chest for 2019.

Grants to Individuals

As well as administering grants to organisations, the Foundation aligns its support to individuals with the London Borough of Islington's Residents' Support Scheme. In 2018 the Foundation contributed £55,000 to this scheme as part of its main grants programme.

Islington Residents' Support Scheme

In 2013 the Foundation ceased its own programme of grants made directly to individuals and participated in developing and delivering a scheme with Islington Council. A member of the Foundation's Programme Team manages outreach and training on the scheme for voluntary organisations and Islington Council teams. The Foundation participates in development and improvement of the scheme in collaboration with Council staff. The Foundation is represented by a Governor and a staff member on the Residents' Support Scheme Strategic Management Board which meets regularly through the year. The Council has indicated its continued commitment to the scheme in the coming years and during 2018 the Foundation's Governors approved a renewed Foundation contribution of £55,000 to the scheme for 2019.

In 2017/18 there was a relaunch for the scheme to encourage new referrals. Aspects of the scheme were reviewed and improved, and new publicity materials were distributed.

St. Sepulchre (Finsbury) United Charities

In 2018 the Foundation ceased to administer the St. Sepulchre funds in support of individuals as the St. Sepulchre (Finsbury) United Charities decided to align their support for individuals directly with the Islington Residents' Support Scheme, administered by the Council.

Partnerships

The Foundation takes a proactive approach to its work. It sees an important role in working with others to identify need, champion unpopular causes and support new developments in its area of benefit. This approach is informed by extensive knowledge of the area gained through grant-making and research. Key partnerships for the Foundation are as follows:

Islington Giving

Islington Giving was launched in 2010, to bring more resources into Islington. Driven by the findings of Cripplegate Foundation's 'Invisible Islington' report, published in 2008, local residents, businesses and voluntary organisations came together with local and national funders for the launch, with an initial plan to raise £3m in 3 years. In 2015 the Islington Giving Board and Cripplegate Foundation agreed that Islington Giving should have a permanent role in the borough. Islington Giving's strategic plan for 2016-2018 focused on investing in young people, supporting families and reaching isolated people.

Islington Giving has provided opportunities to develop relationships between local, regional and national funders and residents, businesses and voluntary organisations. It provides an opportunity for Islington residents to work together to support their local community.

Islington Giving has shaped distinct programmes with partners including:

- **Businesses for Islington Giving - The BIG Alliance:** this partnership has grown to involve 17 large and more small and medium businesses in giving time, space, networks and expertise to support local community organisations and students in Islington schools and colleges. 1,650 people volunteered through this network in 2018, giving thousands of hours of professional advice and support to help the community. The Mentoring Works programme, now in its fifth year, matched 131 business volunteers to 200 Islington school and college students.
- **The Good Neighbours Schemes:** there are three Good Neighbours Schemes delivered by Help on Your Doorstep. These schemes are supported by Islington Giving with different partners. These partners are the Clinical Commissioning Group on the New River Green estate in Canonbury, Peabody/Family Mosaic on the Priory Green estate at King's Cross, and Islington Homes and Communities on the Bemerton estate in the Caledonian area.
- **A partnership with Arsenal Foundation:** together Arsenal Foundation and Islington Giving have delivered key programmes since 2013 to help confront isolation among Islington residents: Saturday Socials (for older people), Friday Night Out, and Making the Most of Free Time (activities for young people). Under our renewed partnership in 2018 an extended outreach project through the Brandon Centre was funded to support young people's mental health. Mental health will continue to frame the work of the partnership to 2020.
- **Established Islington's Young Grant-Makers** programme, giving voice and decision-making power to people aged 16-26, who have designed, developed, advertised and awarded grants from their own funding programme.
- **Supporting Families:** In 2018 Islington Giving acted on two of the four action areas identified in its Supporting Families strategy 'A life not a service'. 5 Building Social Networks grants totalling £204,901 were issued to Home Start Camden and Islington, Grandparent Plus, Islington MIND, Maa Shanti and

Chance UK. A Family Catalyst Fund was also established, awarding 4 organisations (Families First, School-Home Support, Islington Bangladesh Association and The Maya Centre) £5,000 over 2 years to issue grants of up to £500 to people they work and have a trusted relationship with, to access opportunities.

- **Mental Health:** The Mental Health Challenge Fund, 'It's Me, It's You' was developed in 2015 and 2016 in response to the alarmingly high levels of mental ill-health in Islington. Its current focus is on increasing access and support for young people with, or at high risk of developing, poor mental health. Four projects were funded for 18 months in March 2016. Significant points of learning from these projects resulted in one grant being renewed in 2017 for a further two years. In 2018 two organisations received renewed grants for a further two years.

London's Giving

Islington Giving has inspired similar place-based giving initiatives across London. In 2018 the Foundation continued to work with London Funders to promote and develop London's Giving, including supporting individual schemes and involvement in London's Giving Reference Group chaired by a Cripplegate Governor. Since launching in 2014, London's Giving has seen 20 other 'Giving' initiatives established in London boroughs.

London Borough of Islington

The Foundation built on its partnership with the London Borough of Islington in 2018. We continued to work with the Council's Housing Department and Islington's Voluntary and Community Sector Development Team support the Good Neighbours Scheme on the Bemerton estate, which launched in 2017. During 2018 Islington Giving and Islington Council explored the potential of a ten-year partnership which would focus on how we could work together to make Islington the best place for all our residents to thrive. A decision on this partnership will be made in 2019.

Our Wider Opportunities for Impact

The Foundation proactively seeks ways to make the best use of its space, its connections and its people for the benefit of residents in Islington.

Governors looked at how to better align the endowment with the Foundation's mission. There were two strands to this:

- **Social investment:** Research was undertaken to see how engaging in social investment might further our objective to relieve the effects of poverty and reduce inequality. The social investment market is still new but charitable foundations are engaging with it on an increasing basis. This is an area of longer term development which will continue in 2019.
- **Ethical, social and governance screening:** The Foundation reviewed its investment policy in July 2017. The Foundation's strategy aims to ensure that its investments align more closely with its mission by restricting any investments in pornography, tobacco, alcohol, high-interest lending, gambling, firearms or handguns.

The Foundation's staff and Governors provide wider support to local voluntary organisations. This ranges from attending events, providing advice and helping groups to network, to sitting on project advisory boards and leadership groups, and communicating grant partners' work.

Providing Resources

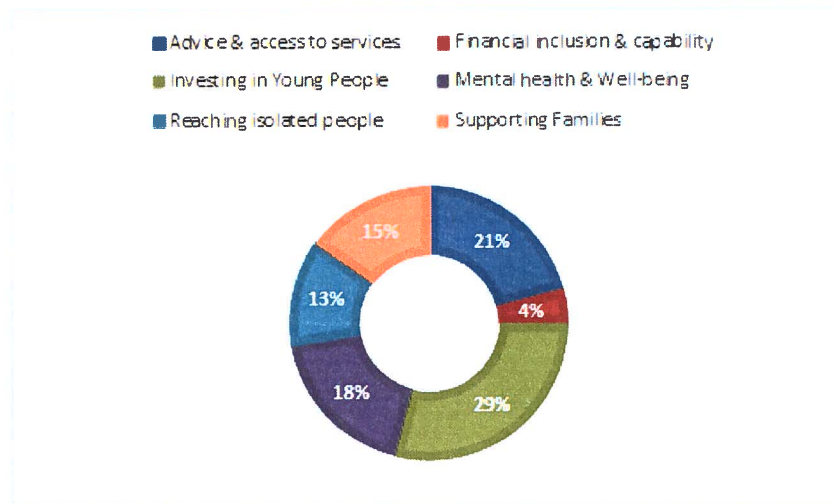
As well as awarding grants, the Foundation offers other resources to Islington's voluntary organisations. 191 separate meetings and training sessions, totalling 773 hours, were hosted in our meeting rooms, free of charge. The Foundation continued to provide rent-free office space for the headquarters of Help on Your Doorstep.

The Foundation continued to offer a lease of 'The Drum', a former public house in Whitecross Street, to City YMCA (London) at a peppercorn rent, following an agreement made on 4th July 2000 for 25 years. The agreement allows City YMCA (London) to offer non-residential facilities for children and young people on the site. In 2018, Cripplegate Foundation's building allowed a range of youth programmes to take place. It was agreed that while its primary offices at 8 Errol Street undergo renovation, part of the premises will be used to host some administrative staff of City YMCA (London). The premises will revert to its original purpose in September 2019 when the new Errol Street site opens.

In 2019, the Foundation will continue to look at how best it can use its properties to benefit organisations and the Islington residents they support.

Our Impact in 2018

The Foundation works across six themes, which reflect key needs in the borough. A breakdown of grants made in 2018 by theme is shown in the chart below and a description of our impact is given under the theme headings in this section.



Advice and access to services

In 2018 the Foundation's funding enabled residents to access the services and support that they need. The Foundation continued to work closely with Help on Your Doorstep which with Foundation and Islington Giving support continues to reach vulnerable and isolated residents through its innovative outreach programmes. Renewed grants were agreed for Islington Law Centre and Islington Citizen's Advice to deliver the Three Advice Projects which provide advice outreach services in different parts of the borough. A further grant was agreed for Islington Law Centre to continue its advice clinics focused on applicants for Employment Support Allowance and Personal Independence Payments. The Three Advice Projects and the advice clinics are co-funded by Cripplegate Foundation and Cloudesley.

Financial inclusion and capability

The Foundation's impact in this area is principally through grant schemes for individuals. In 2018 the Foundation committed further funding of £55,000 to the Residents' Support Scheme (RSS). The Foundation continued to work closely with Islington Council to follow up on the relaunch of the RSS in 2017 to maintain and increase application rates.

Investing in young people

In 2018 we launched the first year of the Islington Giving Young Grant-Makers programme. Through the provision of training and guidance 15 young people formed a strong group which met weekly through the year to decide on the allocation of £80,000 of Islington Giving's grants budget. The young people devised an open call for applications and conducted assessments of the proposals leading to the final decision to fund 7 projects for the benefit of young people in Islington. This programme genuinely empowers young people to make decisions about funding of projects and organisations that benefit their peer group. A new cohort of young Islington residents will be recruited in 2019 to repeat the programme with a further delegation of £80,000.

"It is very rewarding to have the chance to impact other young people's lives for better. Your decisions are not controlled by Islington Giving so you have the power."

Young Grant-Maker

Mental health and well-being

As a result of the learning undertaken in 2017 from funding the five initial Islington Giving Mental Health Challenge Fund projects, a further two years' funding has been provided in 2018 to the three most impactful projects. Renewed funding was agreed for Abianda's Star project in 2017, with the project commencing at the start of 2018. Funding was agreed to continue Body and Soul's You Are Not Alone' project and Brandon Centre's Brandon Connect service from April 2018. The projects are all now fully embedded in the borough and making a real difference to vulnerable young Islington residents.

All three projects have successfully leveraged additional funds to expand the services as a result of the initial funding provided through Islington Giving. Body & Soul received a National Lottery Community Fund grant to expand the project beyond Islington to Haringey, Hackney and Camden. Abianda has received funding through the Mayor's Young Londoners Fund to provide further capacity and support and from Islington Council to deliver 1-1 support and group work for a younger cohort of 10-16 year olds. The Brandon Centre has received further Islington Giving funding through the Arsenal Foundation's contribution to Islington Giving to provide an additional day per week outreach to build supportive relationships with young people who access the Arsenal Hub. The growth of these projects demonstrates the success of the Challenge Fund in trying new approaches and the ability to scale support for young people's mental health where this has proved to be effective.

Recognising the level of mental health needs in the borough, Islington Giving is piloting a new approach to fundraising by identifying innovative projects that need to secure funding in order to proceed. Islington Giving agreed the first project to test this new approach in 2018, a Talk for Teens project - based on Talk for Health's successful model of community based talking therapy. The project needs to raise £20,000, with £10,000 towards the target already raised, to enable young people to support each other including during the transition from primary to secondary school. New projects are now being identified for further fundraising.

The Foundation and Islington Council's Community Chest funded a number of organisations offering therapeutic support for residents as well as activities and self-help groups.

"It has helped me so much and has literally been life changing."

Young person attending one of the funded programme.

Reaching Isolated People

Isolation is a significant issue in Islington and confronting its effects is a key priority for the Foundation. This is reflected in grants agreed in 2018 that support innovative ways of tackling isolation. New grants were agreed for some of our flagship programmes. Consolidating the Good Neighbours Schemes in Islington has been a priority for Islington Giving in 2018. New funding was agreed for both the New River Green project for 2019-20 and for Kings Cross until March 2020. Three of four Cripplegate Development Partners have a focus on tackling isolation (Claremont, Help on Your Doorstep, and The Parent House). 2018 saw the launch of four short films through the Programme that shine a light on how the projects work with people to bring them into the centre of community life. The Saturday Socials programme is delivered in partnership with the Arsenal Foundation. Activities are run by All Change, Cubitt Education and North London Cares to support older residents across the borough through creative arts and other social activities. This includes opening up venues including Sadler's Wells and Park Theatre, delivering improvised productions in partnership with Central St Martins culminating in the wonderful Last Dance celebration at the end of 2018 at Union Chapel. 17 organisations working to address social isolation received grants through Islington Council's Community Chest.

"My mental health has benefitted a lot; I can socialise and relax at the Stay and Play and I am glad to have the group to come to."

"...it has helped me to get involved in a lot of things now which I never knew existed. The Good Neighbours Scheme has opened up many opportunities for me"

Residents, Kings Cross Good Neighbours Scheme

Supporting families

As well as Islington Giving's successful launch of a new Families strategy (see p. 7 of this report), the Foundation maintained funding for the Parent House in 2018. The Foundation ceased funding Family Action's Family Saturdays programme in 2018 but agreed a grant of £10,000 to SEN Family Saturdays to continue to run this Saturday provision for families living with young children with autism.

Future Plans

The Foundation's priority areas for 2019 - 2021 build on our experience and knowledge. In 2019 we will:

- **Respond to the needs of the local community and empower local people** – by listening and involving people in our decision-making, conducting research to inform grants programmes, and proactively identifying issues where our investment could make a real difference.
- **Sharing learning** – we will share learning from our Development Partners, and Young Grant-Makers programmes. We will share insights from our Catalyst, Young Catalyst, and Family Catalyst programmes, to encourage replication in London and the UK.
- **Effect change and increase resources for Islington** – by reviewing how we use all our assets, developing sustainable partnerships, and implementing a long-term fundraising strategy for Islington Giving.
- **Demonstrate success to influence wider change** – by gathering intelligence and evidence from local partners, developing robust communications and public relations strategies, and inspiring change in the way organisations and partnerships work in the local area.
- **Challenging ourselves and our ways of working** – by ensuring our organisational structure and systems are efficient and cost-effective, maximising the use of all our resources, and working to achieve greater openness, diversity and transparency.

Structure, Governance and Management

Our trustee company has a board of 17 Governors. Two Governors are appointed by the City of London Corporation and two by the London Borough of Islington. Additionally, the Rector of St Giles Cripplegate is an ex-officio member of the Board of Governors. All other Governors are appointed by the Trustee Company's Board and serve for five years after which period they may put themselves forward for reappointment (see page 18-19 for a list of current Governors and staff).

Governors undertook a self-assessment against the Good Governance Code for Charities. Governors have identified two key issues: creating a more diverse board of Governors and increasing Governor involvement in the work of the Foundation. Governors agreed to ensure that recruitment of new Governors better reflects the diversity of the borough. There will be a formal induction and mentoring programme for new Governors. An appointments sub-committee recruits new Governors. New Governors are recruited through open advertisement after specific skill gaps have been identified.

Governors review the strategy and priorities of the Foundation at their quarterly meetings, taking into account grant making, development programmes, investments and risk management. An annual strategy meeting is held by Governors in October to plan priorities. Day to day administration of the Foundation is delegated to the Director.

There were two main Committees in 2018; the Programme Committee and the Finance and General Purposes Committee. The Programme Committee met three times a year to consider all applications for grants and to review the grants programmes. It had delegated powers to approve grants of up to £250,000 a year for up to three years. Grants for larger amounts or which are new areas of work for the Foundation went to the full Governing body, usually after an initial discussion by the Programme Committee. Governors have agreed that Governors' meetings will undertake the Programme Committee's function from 2019.

The Finance and General Purposes Committee meets three times a year and has delegated powers to deal with investment matters. This is mostly a supervisory role as the day to day management of investments is delegated to Newton Investment Management Ltd and Ruffer LLP. However, the Committee keeps its asset allocation under regular review in line with its Statement of Investment Principles. This Committee reviews the annual budget and management accounts, acts as an audit committee and deals with pension, insurance and property matters.

In 2018, Islington Giving Board members included representatives from The Breadsticks Foundation, City Bridge Trust, Cloudesley, Cripplegate Foundation, Macquarie Group and The Morris Charitable Trust. The Board met three times in 2018. A grants committee (which includes a representative from the National Lottery Community Fund) makes decisions on applications for funding. A Fundraising and Marketing Committee, with members who bring fundraising and communications expertise, develops and reviews Islington Giving's fundraising and marketing. The Foundation has final legal responsibility for Islington Giving's funds but delegates to the Islington Giving Board power to make decisions on strategy, programmes and fundraising.

In addition, Governors sit on the Islington Council's Community Chest Panel, the Islington Residents' Support Scheme Strategic Management Board, and the steering groups of the Islington Advice Project and the Catalyst Programme.

The Foundation had a staff of 9 (full time equivalent 8.1) at the end of the year.

Principal Risks and Uncertainties

In line with the requirement for trustees to undertake a risk assessment exercise and report on it in their annual report, Governors have looked at the risks Cripplegate Foundation currently faces and have reviewed the measures already in place, or needing to be put in place, to deal with them. Governors have identified six main areas where risks may occur:

- *Governance and management* – assessing strategic priorities and decision making in regard to the future provision of the Foundation, and also the structure, knowledge and experience of its board.
- *Financial* – assessing risk arising as a result of poor budgetary control, inappropriate spending, poor accounting and inappropriate investment policies.
- *Database* – ensure that the Foundation is GDPR compliant by conducting an independent GDPR audit and developing and updating policies and practices.
- *HR, premises and IT* – assessing the risks inherent in the charity's operation with regards to its grant making and all aspects of resource management.
- *Regulation and partnerships* – assessing the legal duties of the Foundation in its management of employees, data, fundraising protocol, audit procedure, grant-making and other regulation
- *External* – assessing the risks that can arise as a result of political, social, and economic change, as well as possible damage to the Foundation's reputation due to adverse publicity or failed partnerships.

Governors have examined key controls over the key areas of risk identified and confirm that systems are in place to mitigate the significant risks.

Key Management Personnel Remuneration

Governors consider the Board of Governors, the Director, Resources Director and Programme Director as comprising the key management personnel of the Foundation. All Governors give their time freely and no remuneration was paid to any Governor in the year. Details of Governor expenses and related party transactions are disclosed in notes 13 and 14 to the accounts.

Governors are required to disclose all relevant interests and register them with the Director and in accordance with the Foundation's policy withdraw from decisions where a conflict of interest arises.

The pay of the key management personnel is reviewed annually and normally increased in accordance with average earnings. The remuneration is also bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

The remuneration and related benefits (pension and death in service provision) of the Director is reviewed annually by the Remuneration Committee following an annual appraisal process. Salaries for all employees are normally increased with reference to the Consumer Price Index (CPI).

Fundraising

The Foundation raises funds from individuals and businesses for Islington Giving. We are registered with the Fundraising Regulator and commit to our fundraising being legal, open, honest and respectful, meeting the standards set in the Fundraising Code of Practice. The Charity did not make use of any external fundraisers. No complaints were received in respect of its fundraising activities.

FINANCIAL REVIEW

Financial results

The Foundation has three sources of income: investment income generated by its permanent endowment, voluntary income raised from local businesses, trusts and residents via Islington Giving, and income from third parties with which it administers grant programmes on their behalf. These consist of other trusts and foundations operating within its area of benefit.

Key financial indicators in 2018 include:

- In 2018, total income amounted to £2,381,680 (2017: £2,190,665). Islington Giving restricted income was £819,560 (2017: £602,934) and remains the largest area of restricted funds.
- Expenditure including grant commitments amounted to £2,222,700 (2017: £2,785,836). Grants, including commitments for multiple years, made in 2018 amounted to £1,199,595 (2017: £1,857,910).
- Unrealised and realised loss on investments amounted to £1,503,685 (2017: gain £2,313,916).
- The total funds as at 31st December 2018 were £39,103,403 (2017: £40,448,108) of which £333,341 represented restricted funds, £37,661,576 (2017: £39,273,993) represented endowment funds and £1,108,485 unrestricted funds (2017: £1,101,995).
- Cash held in the bank at the end of the year amounted to £ 1,127,155 (2017: £1,271,835). Cash is held to make payments for the grant commitments due throughout the year.
- Grant commitments are included under creditors. Grant commitments due within one year amounted to £1,064,349 and those due after more than one year totalled £105,138 at the end of 2018.

Reserves Policy

Governors annually review the adequacy of Cripplegate Foundation's reserves, which in this case are defined as that part of the Charity's accumulated surpluses that are available to spend once it has met its commitments and covered its other planned expenditure, often called "free" reserves. Governors aim to keep at least six months running costs to cover unexpected reductions in income, amounting to approximately £500,000. It excludes endowed funds that have been invested to provide a secure and predictable income stream, property held for charity use, funds accumulated for a designated purpose within the overall purpose of the charity, and restricted funds.

Unrestricted funds

The total funds as at 31st December 2018 were £39,103,403 (2016: £40,448,108) of which £91,313 represented restricted funds, £37,661,576 represented endowment funds and £1,108,486 unrestricted funds.

Governors agreed the following designation of unrestricted funds:

- **Long Term Investment Fund:** £553,237 (2017: £1,358,135) this is composed of funds that are not endowed but have been built up through the excess generation of income or reduced expenditure in the past. The Long-Term Investment Fund will act as a "smoothing reserve" to top up any shortfall in income from the endowment in a particular year so that spending can be maintained at current levels without compromising sustainability. In 2017 Governors had agreed that £700,000 from this fund will be used for programme development in coming years and this has been transferred to Programme Development Fund.

- **Development Programme Fund: (2016-2020)** £231,000 (2017: £231,000). In 2015 £600,000 was designated to the Development Partners' Programme.
- **Programme Development Fund: (2019-2021)** This fund was set up in 2018 to include £700,000 transferred from Long Term Investment Fund and £250,000 from Social Investment Fund.
- **Social Investment Fund: £250,000** – this was designated in 2015 to fund a pilot social investment fund with a view to scaling up the Foundation's social investment activity through its endowment. As no suitable project were found since 2015, Governors decided to close this fund and transfer the amount to Programme Development Fund. This is still being developed and funds have not yet been invested.
- **Sharing and Learning from Programme: (2018-2019)** for production and dissemination of films and materials to share the learning from key areas of our work.
- **Pension Reserve Fund: £660,224** (2017: £737,140) this represent liabilities towards the Foundation's defined benefit pension scheme, which will be met from future investment income.

Investment policy and performance

Under the terms of the Foundation's governing scheme, Governors may only spend the income of the permanent endowment fund and may not expend the capital. The endowment is held in a mix of listed investments (managed by Newton Investment Management Ltd and Ruffer LLP) and property (the Foundation's current premises in Elliott's Place and Whitecross Street).

With the intention of preserving the value of the capital, in 2018, Governors set an income target of £1.1 million. Income generated by the fund before fees was £1.2 million.

Management of the funds held by Newton Investment Management Ltd

Newton Investment Management Ltd currently holds approximately £34 million of the Foundation's endowment funds.

The investment objective was, and remains, to maximise income whilst preserving the value of the capital against inflation. Newton have been set a performance objective to outperform the total return on the asset class indices by 0.75% per annum over a rolling three-year period, whilst not under performing by more than 2% in any 12 month period. The cash and alternatives objective is simply to outperform the benchmark. The total return (gross of fees) of the portfolio for 2017 was 3.56% (2017: 3.25%), against the benchmark return of 3.3% (2017: 3.47%).

In 2017, Governors reviewed the asset allocation for the portfolio managed by Newton and agreed:

Asset allocation and benchmark

| | Asset allocation benchmark% | Asset Allocation Range | Performance Benchmark |
|--------------------------|-----------------------------|------------------------|---------------------------|
| UK Equities | 45 | 35-55 | FTSE All Share Index |
| Overseas Equities | 30 | 20-40 | FTSE World ex UK |
| Fixed Income | 13 | 5-25 | FTA Govt All Stocks Index |
| Property | 10 | 5-15 | IPD Index |
| Alternatives | 0 | 0-10 | Cash +2% |
| Cash | 2 | 0-10 | LIBID 3 months |

Management of funds held by Ruffer LLP

Ruffer LLP currently holds approximately £2 million of the Foundation's endowment funds. Governors appointed Ruffer on the basis of their differing investment strategy with the specific objective of growing the capital. The

asset allocation is not as prescriptive but remains in line with the Foundation's Statement of Investment Principles. Ruffer's investment philosophy is to not lose money in any 12-month rolling period, and to outperform cash.

Investment restrictions

These are as follows:

- No more than 1% of the total capitalisation of any company may be held
- Gearing is not permitted
- No derivatives, futures or stock lending
- No investment in the managers' owners
- Unless prior permission has been given, no more than 10% of the portfolio to be invested in any one company

Socially responsible and ethical investment policy

Governors currently exclude tobacco from the Foundation's investments on the grounds that the London Borough of Islington has the second lowest life expectancy for men in the UK, largely due to tobacco related illnesses. In 2015, Governors started to review how assets and mission might be better aligned and review their socially responsible and ethical investment policy to ensure it is still appropriate. This work was completed in 2016 and the following further restrictions were added:

- Restrict the investment in any company that derives more than 10% of its revenue from gambling.
- Restrict the investment in any company that derives more than 25% of its revenue from high interest-rate lending.
- Restrict the investment in any company that derives more than 3% of its revenue from pornography or adult entertainment services.
- Restrict the investment in any company that derives more than 10% of its revenue from the production of alcohol.
- Restrict the investment in any company that supplies or sells semi-automatic rifles, firearms or ammunition or key parts or services for firearms or ammunition that are intended for use by the general public.
- Restrict the investment in any company that derives more than 5% of its revenue from the manufacture or sale of civilian firearms or related products.

REFERENCE AND ADMINISTRATIVE DETAILS

The sole corporate trustee is the company of Cripplegate Foundation Limited (a company limited by guarantee with company registration number 6129936) of which these Governors are directors and members:

Co-optative Governors

Frances Carter (Chair from 1st January 2018)
Nezahat Cihan
Anne-Marie Ellis
John Gilbert (Vice Chair from 1st January 2018)
Rob Hull
Tom Jupp OBE
Paula Kahn

James Kempton
Judith Moran
Kate Rogers (from 1st January 2019)
Gillian Tong (Vice Chair from 1st January 2019)
Mark Yeadon

Nominative Governors appointed by the City of London Corporation

Alderman David Graves
Deputy John Tomlinson CC

Nominative Governors appointed by the London Borough of Islington

Councillor Satnam Gill OBE
Councillor Jenny Kay

Ex-officio Governor

Rev. Katharine Rumens, the Rector of St. Giles without Cripplegate

The following individuals and firms are not directors or members of Cripplegate Foundation but performed significant functions in relation to the Foundation.

Senior Management Team

Kristina Glenn MBE, Director
Navjot Johal, Resources Director
Helen Kersley, Programme Director

Auditors

haysmacintyre
10 Queen Street Place
London EC4R 1AG

Solicitors

Devonshires Solicitors LLP
30 Finsbury Circus
London EC4R 1AG

Bankers

Royal Bank of Scotland
Islington High Street
London N1 8XB

Bank of Scotland

7th Floor, 155 Bishopsgate
London EC2M 3YB

Investment Managers

COIF Charities Deposit Fund
CCLA Investment Management Ltd
80 Cheapside
London EC2V 6DZ

Newton Investment Management Ltd

BNY Mellon Financial Centre
160 Queen Victoria Street
London EC4V 4LA

Ruffer LLP
80 Victoria Street
London SW1E 5JL

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

Cripplegate Foundation has a corporate trustee, Cripplegate Foundation Limited. The directors and members of Cripplegate Foundation Limited are referred to as Governors.

Public Benefit Statement

Charity trustee has a duty to report in the Trustee Report on the charity's public benefit. The Trustee of the Charity has considered the requirements explained in guidance produced by the Charity Commission, which is available on its website.

The trustee is required by charity law to prepare financial statements for the financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and resources expended for that year.

In preparing the financial statements the trustee must:

- adopt suitable accounting policies and apply them consistently;
- adopt the principles and methods of the charity Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to do so.

The trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable it to ensure that the financial statements comply with charity law. The trustee is responsible for safeguarding the assets of the Foundation and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the trustee on 24th April 2019



Frances Carter

Chair of Governors, Cripplegate Foundation Limited

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF CRIPPLEGATE FOUNDATION

Opinion

We have audited the financial statements of Cripplegate Foundation for the year ended 31 December 2018 which comprise the Statements of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustee's responsibilities statement set out on page 19, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustee is responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Use of our report

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


Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 24th April 2019

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

STATEMENT OF FINANCIAL ACTIVITIES

Incorporating income and expenditure for the year ended 31st December 2018

| | Notes | Unrestricted Funds £ | Islington Giving Restricted Fund £ | Other Restricted Funds £ | Endowment Funds £ | Total 2018 | Total 2017 |
|--|-------|-------------------------|---------------------------------------|-----------------------------|----------------------|--------------------|------------------|
| Income and endowments: | 2 | | | | | | |
| Donations earned from charitable activities | | 20,649 | 819,560 | 271,575 | - | 1,111,784 | 957,864 |
| Investment and other Income | | 1,269,896 | - | - | - | 1,269,896 | 1,232,801 |
| Total | | 1,290,545 | 819,560 | 271,575 | - | 2,381,680 | 2,190,665 |
| Expenditure | 3 | | | | | | |
| Cost of Raising Funds | | | | | | | |
| Investment Management Costs | | - | - | - | 183,916 | 183,916 | 199,122 |
| Fundraising Costs | | 96,558 | - | - | - | 96,558 | 41,234 |
| Expenditure on Charitable activities | | | | | | | |
| Advice and access to services | | 276,513 | | 131,152 | - | 407,665 | 315,003 |
| Confronting social isolation | | 97,844 | 101,136 | 40,700 | - | 239,680 | 741,645 |
| Financial inclusion and capability | | 80,807 | | - | - | 80,807 | 426,516 |
| Investing in young people | | 251,762 | 253,821 | 75,530 | - | 581,113 | 451,365 |
| Mental health and well-being | | 167,588 | 126,627 | 52,917 | - | 347,132 | 381,003 |
| Supporting families | | 107,798 | 177,256 | 775 | - | 285,829 | 229,948 |
| Total | | 1,078,870 | 658,840 | 301,074 | 183,916 | 2,222,700 | 2,785,836 |
| Net income/(expenditure) before investment gains / (losses) | | 211,675 | 160,720 | (29,499) | (183,916) | 158,980 | (595,171) |
| Net gains / (losses) on investments | | (75,184) | - | - | (1,428,501) | (1,503,685) | 2,313,916 |
| Net income / (expenditure) | | 136,491 | 160,720 | (29,499) | (1,612,417) | (1,344,705) | 1,718,745 |
| Transfers between funds | 14 | (130,000) | 50,000 | 80,000 | - | - | - |
| | | 6,491 | 210,720 | 50,501 | (1,612,417) | (1,344,705) | 1,718,745 |
| Other Recognised Gains/(Losses) | | | | | | | |
| Actuarial gains / (losses) on defined benefit pension schemes | | - | - | - | - | - | - |
| Net movement in funds | 14 | 6,491 | 210,720 | 50,501 | (1,612,417) | (1,344,705) | 1,718,745 |
| Reconciliation of Funds | | | | | | | |
| Total funds brought forward | | 1,101,995 | 31,308 | 40,812 | 39,273,993 | 40,448,108 | 38,729,363 |
| Total funds carried forward | | 1,108,486 | 242,028 | 91,313 | 37,661,576 | 39,103,403 | 40,448,108 |

BALANCE SHEET AS AT 31st DECEMBER 2018

| | Notes | 2018 £ | 2017 £ |
|---|-------|-------------------|-------------------|
| Fixed Assets | | | |
| Tangible assets | 6 | 1,625,827 | 1,650,841 |
| Investments | 8 | 38,278,503 | 39,892,490 |
| | | 39,904,330 | 41,543,331 |
| Current assets | | | |
| Debtors | 9 | 107,755 | 153,300 |
| Cash at bank and in hand | | 1,127,155 | 1,271,835 |
| | | 1,234,910 | 1,425,135 |
| Liabilities | | | |
| Creditors: amounts falling due within one year | 10 | (1,351,499) | (1,287,765) |
| Net Current (Liabilities)/ Assets | | (116,589) | 137,370 |
| Total assets less current liabilities | | 39,787,741 | 41,680,701 |
| Creditors: amounts falling due after more than one year | 10 | (684,338) | (1,232,593) |
| Net assets | | 39,103,403 | 40,448,108 |
| Represented by | | | |
| Funds and reserves | 12 | | |
| Endowment fund | | 37,661,576 | 39,273,993 |
| Islington Giving restricted fund | | 242,028 | 31,308 |
| Other restricted funds | | 91,313 | 40,812 |
| Unrestricted funds | | | |
| General Fund | | 553,237 | 1,358,135 |
| Programme Fund | | 231,000 | 231,000 |
| Sharing & Learning from Programme | | 34,473 | - |
| Designated Social Investment Fund | | - | 250,000 |
| Designated Programme Development Fund | | 950,000 | - |
| Pension reserve | | (660,224) | (737,140) |
| Total funds | | 39,103,403 | 40,448,108 |

The accompanying notes numbered 1 to 14 form part of these accounts.

Approved by the Trustee and authorised for issue on 24th April 2019 and signed on its behalf by

Frances Carter
Chair of Governors, Cripplegate Foundation Limited

CASH FLOW STATEMENT

Cashflow 2018

| | 2018 Funds | 2017 funds |
|---|-------------------------|-------------------------|
| Cash flows from operating activities: | | |
| Net movement in funds | (1,344,705) | 1,718,745 |
| Depreciation | 35,441 | 31,713 |
| Interest, rent and dividends from investments | (1,269,896) | (1,232,801) |
| Loss / (Gain) on investments | 1,503,685 | (2,313,916) |
| Decrease / Increase in debtors | 45,545 | 23,084 |
| Increase / decrease in creditors | (484,521) | 279,727 |
| Net cash provided by (used in) operating activities | <u>(1,514,451)</u> | <u>(1,493,448)</u> |
| Cash flows from investing activities: | | |
| Dividends, interest and rents from investments | 1,269,896 | 1,232,801 |
| Purchase of office equipment | (11,185) | (1,245) |
| Loss on disposal of fixed assets | 758 | - |
| Proceeds from sale of investments | 10,217,040 | 9,677,682 |
| Purchase of investments | (8,986,941) | (10,154,245) |
| Movement on cash held for investment | (1,119,797) | 658,210 |
| Net cash provided by (used in) investing activities | <u>1,369,771</u> | <u>1,413,203</u> |
| Change in cash and cash equivalents in the reporting period | (144,680) | (80,245) |
| Cash and cash equivalents at the beginning of the reporting period | 1,271,835 | 1,352,080 |
| Change in cash and cash equivalents due to exchange rate movements | - | - |
| Cash and cash equivalents at the end of the reporting period | <u>1,127,155</u> | <u>1,271,835</u> |
| Analysis of cash and cash equivalents | | |
| | 2018 Funds | 2017 funds |
| Cash in hand | 203,789 | 353,381 |
| Notice deposits (less than 3 months) | 923,366 | 918,454 |
| Total | <u><u>1,127,155</u></u> | <u><u>1,271,835</u></u> |

NOTES TO THE ACCOUNTS

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and regulations issued under the Charities Act 2011.

b) Funds Structure

The Foundation holds the following types of funds:

- **Unrestricted funds**
These are available for use at the discretion of the Trustee in furtherance of the general objects of the Foundation.
- **Permanent endowment fund**
This is the fixed capital of the Foundation, which is invested in investments and property. The income is available for general use, but the capital may not be spent, except for investment management costs expended on portfolio management and administration, and governance and support costs specifically attributable to investment assets.
- **Restricted funds**
These funds are subject to specific restrictive conditions imposed by funders. The purpose and use of restricted funds is set out in the notes to the financial statements.

c) Income

All income is recognised once the Foundation has entitlement to the resources, it is probable that the resources will be received and that the monetary value of incoming resources can be measured with sufficient reliability.

d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Foundation to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Foundation. Liability for grants which are payable over future accounting periods is accrued in the year that the grant decision was made and shown in the Statement of Financial Activities.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

e) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. All assets costing more than £500 and with an expected useful life exceeding one year are capitalised. Depreciation is provided on all tangible fixed assets, except investment properties, at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

| | |
|----------------------------------|-----------|
| Long leasehold and improvements | 75 years* |
| Furniture, fixtures and fittings | 10 years |
| Office equipment | 5 years |
| Computer equipment | 3 years |

*The long leasehold refers to the Foundation's property at 13 Elliott's Place, London, N1 8HX on which the Foundation holds a 999 year lease. The 75-year depreciation period is in accordance with guidance from the auditors and is considered a fair and reasonable basis.

f) Investments

- **Fixed asset investments**
Investments are stated at the last market valuation. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. In the opinion of the Trustee, revaluation is not necessary on an annual basis.
- **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 opening market value (purchase date if later).
- **Unrealised gains and losses**
Unrealised gains and losses are calculated as the difference between the market value at the year-end and opening market value (or purchase date if later).
Realised and unrealised gains are not separated in the Statement of Financial Activities.

g) Allocation of overhead and support costs

Overhead and support costs have been allocated between charitable activities and governance and have been apportioned based on grant amount spent under each charitable activity. The allocation of overhead and support costs is analysed in note 3 and 4, they are based on grant amount spent under each charitable activity.

h) Going concern

The trustee is satisfied that the Charity has sufficient reserves to continue as a going concern for the foreseeable future.

i) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

l) Creditors

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

m) Judgements and estimates

Judgements made by the Trustee, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the valuation of investments and are discussed above.

n) Employee benefits

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

2. Income from donations and grants

| | Unrestricted funds | Islington Giving restricted fund | Other restricted funds | 2018 | 2017 |
|---------------------------------------|--------------------|----------------------------------|------------------------|------------------|----------------|
| | £ | £ | £ | £ | £ |
| Voluntary Income | | | | | |
| LB Islington Community Chest | - | - | 200,200 | 200,200 | 199,800 |
| LB Islington Residents Support Scheme | - | - | 21,250 | 21,250 | 25,000 |
| LBI Research Project | - | - | 32,000 | 32,000 | - |
| St Sepulchre | - | - | - | - | 28,039 |
| Cloudesley | - | - | - | - | 70,247 |
| Islington Giving | - | 819,560 | - | 819,560 | 602,934 |
| Other donations and income | 20,649 | - | - | 20,649 | 16,844 |
| London's Giving | - | - | 18,125 | 18,125 | 15,000 |
| | <u>20,649</u> | <u>819,560</u> | <u>271,575</u> | <u>1,111,784</u> | <u>957,864</u> |

Voluntary income amounts for the year 2017 were: Unrestricted £26,592; Restricted: Islington Giving £602,934; other restricted £328,338.

Islington Giving Income shown above is further analysed in Appendix 1.

Investment income

| | Total Unrestricted | |
|------------------|--------------------|------------------|
| | 2018 | 2017 |
| | £ | £ |
| Equity | 1,170,114 | 1,099,123 |
| Fixed Interest | 94,509 | 127,236 |
| Tax reclaimed | 364 | 3,264 |
| Interest on cash | <u>4,909</u> | <u>3,178</u> |
| Total | <u>1,269,896</u> | <u>1,232,801</u> |

Cripplegate Foundation
Financial Statements for the year ended 31st December 2018

3. Expenditure

| | Investment Management | Fundraising | Advice and access to services | Confronting social isolation | Financial inclusion and capability | Investing in young people | Mental health and well-being | Supporting families | 2018 | 2017 |
|---------------------------------|-----------------------|-------------|-------------------------------|------------------------------|------------------------------------|---------------------------|------------------------------|---------------------|-----------|-----------|
| Grants | - | - | 250,882 | 151,127 | 50,278 | 347,552 | 219,335 | 180,421 | 1,199,595 | 1,857,910 |
| Programme cost | | | 12,445 | 1,605 | 1,605 | 33,605 | 1,607 | 1,605 | 52,472 | - |
| Salary costs | - | 25,181 | 93,506 | 56,327 | 18,739 | 129,536 | 81,749 | 67,245 | 472,283 | 419,330 |
| Pension deficit payments | - | - | 4,826 | 2,907 | 967 | 6,686 | 4,219 | 3,471 | 23,076 | 113,914 |
| Other staff costs | - | - | 6,299 | 3,795 | 1,262 | 8,727 | 5,507 | 4,530 | 30,120 | 12,088 |
| Governance costs | - | - | 960 | 578 | 192 | 1,330 | 840 | 691 | 4,591 | 5,170 |
| Office costs | - | - | 21,238 | 12,793 | 4,256 | 29,422 | 18,567 | 15,274 | 101,550 | 81,958 |
| Insurance | - | - | 2,237 | 1,348 | 448 | 3,099 | 1,957 | 1,609 | 10,698 | 11,737 |
| Professional fees | - | - | 7,860 | 4,735 | 1,575 | 10,888 | 6,871 | 5,652 | 37,581 | 23,096 |
| Islington Giving campaign costs | - | 71,377 | - | - | - | - | - | - | 71,377 | 29,798 |
| Depreciation & loss on disposal | - | - | 7,412 | 4,465 | 1,485 | 10,268 | 6,480 | 5,331 | 35,441 | 31,713 |
| Investment Management fee | 183,916 | - | - | - | - | - | - | - | 183,916 | 199,122 |
| | 183,916 | 96,558 | 407,665 | 239,680 | 80,807 | 581,113 | 347,132 | 285,829 | 2,222,700 | 2,785,836 |

3.a 2017 Expenditure (Prior Year)

| | Investment Management | Fundraising | Advice and access to services | Confronting social isolation | Financial inclusion and capability | Investing in young people | Mental health and well-being | Supporting families | 2017 | 2016 |
|---------------------------------|-----------------------|-------------|-------------------------------|------------------------------|------------------------------------|---------------------------|------------------------------|---------------------|-----------|-----------|
| Grants | - | - | 229,916 | 541,316 | 311,308 | 329,445 | 278,089 | 167,836 | 1,857,910 | 2,235,832 |
| Salary costs | - | 11,436 | 50,477 | 118,843 | 68,346 | 72,328 | 61,053 | 36,847 | 419,330 | 437,486 |
| Pension deficit | - | - | 14,097 | 33,190 | 19,087 | 20,199 | 17,050 | 10,291 | 113,914 | 26,911 |
| Other staff costs | - | - | 1,497 | 3,522 | 2,025 | 2,143 | 1,809 | 1,092 | 12,088 | 24,857 |
| Governance and trustee costs | - | - | 640 | 1,506 | 866 | 917 | 774 | 467 | 5,170 | 3,403 |
| Office costs | - | - | 10,142 | 23,879 | 13,733 | 14,534 | 12,267 | 7,404 | 81,958 | 60,652 |
| Insurance | - | - | 1,452 | 3,420 | 1,967 | 2,081 | 1,757 | 1,060 | 11,737 | 10,193 |
| Professional fees | - | - | 2,858 | 6,729 | 3,870 | 4,095 | 3,457 | 2,086 | 23,096 | 45,839 |
| Islington Giving campaign costs | - | 29,798 | - | - | - | - | - | - | 29,798 | 21,822 |
| Depreciation & loss on disposal | - | - | 3,924 | 9,240 | 5,314 | 5,623 | 4,747 | 2,865 | 31,713 | 32,684 |
| Investment Management fee | 199,122 | - | - | - | - | - | - | - | 199,122 | 203,470 |
| | 199,122 | 41,234 | 315,003 | 741,645 | 426,516 | 451,365 | 381,003 | 229,948 | 2,785,836 | 3,103,149 |

Overhead and support costs have been allocated between charitable activities and governance and have been apportioned based on grant distributed in the year.

4. Analysis of grants

| | Grants to institutions | Grants to individuals | Support cost | 2018 | 2017 |
|------------------------------------|---------------------------|--------------------------|----------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Advice and access to services | 250,882 | - | 156,783 | 407,665 | 315,003 |
| Confronting social isolation | 151,127 | - | 88,553 | 239,680 | 741,645 |
| Financial inclusion and capability | - | 50,278 | 30,529 | 80,807 | 426,516 |
| Investing in young people | 347,552 | - | 233,561 | 581,113 | 451,365 |
| Mental health and well-being | 219,335 | - | 127,797 | 347,132 | 381,003 |
| Supporting families | 180,421 | - | 105,408 | 285,829 | 229,948 |
| Total | 1,149,317 | 50,278 | 742,631 | 1,942,226 | 2,545,480 |

4a 2017 Analysis of grants (Prior Year)

| | Grants to institutions | Grants to individuals | Support cost | 2017 | 2016 |
|------------------------------------|---------------------------|--------------------------|----------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Advice and access to services | 229,916 | - | 85,087 | 315,003 | 386,297 |
| Confronting social isolation | 541,316 | - | 200,329 | 741,645 | 607,625 |
| Financial inclusion and capability | 177,769 | 133,539 | 115,208 | 426,516 | 131,781 |
| Investing in young people | 329,445 | - | 121,920 | 451,365 | 1,026,028 |
| Mental health and well-being | 278,089 | - | 102,914 | 381,003 | 391,336 |
| Supporting families | 167,836 | - | 62,112 | 229,948 | 305,762 |
| Total | 1,724,371 | 133,539 | 687,570 | 2,545,480 | 2,848,829 |

5. Expenditure – staff costs

| | 2018 | 2017 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 393,426 | 348,689 |
| Social security costs | 40,011 | 35,074 |
| Other pension costs | 38,846 | 35,566 |
| Total | 472,283 | 419,329 |

Total average number of employees for the year 2018 was 9 (2017: 9), full time equivalent 8.1 (2017: 7.6) with all employees' time involved in providing support services to charitable activities of the charity and to governance of the charity

One employee of the Foundation earned between £70,000 and £80,000 during the year, 2017 (£70,000 - £80,000).

Key Management Personnel

The Foundation considers its key management personnel comprise the Governors, (not remunerated) the Director, Resources Director and Programme Director. The total employment benefits including employer pension contributions of the key management personnel were £236,672 (2017: £204,236).

6. Tangible fixed assets

| | Long Leasehold £ | Fixtures and Fittings £ | Office Equipment £ | Total £ |
|---|-------------------------|-------------------------------|--------------------------|-------------------------|
| Asset cost, valuation or revalued amount | | | | |
| Balance brought forward | 1,737,792 | 50,443 | 34,794 | 1,823,029 |
| Disposal in the year | - | - | (15,510) | (15,510) |
| Additions | - | - | 11,185 | 11,185 |
| Balance carried forward | <u>1,737,792</u> | <u>50,443</u> | <u>30,469</u> | <u>1,818,704</u> |
| Accumulated Depreciation | | | | |
| Balance brought forward | 115,855 | 25,219 | 31,114 | 172,188 |
| Charge for the year | 23,171 | 5,044 | 7,226 | 35,441 |
| Disposal in the year | - | - | (14,752) | (14,752) |
| Balance carried forward | <u>139,026</u> | <u>30,263</u> | <u>23,588</u> | <u>192,877</u> |
| Net book value | | | | |
| At 31/12/17 | <u>1,621,937</u> | <u>25,224</u> | <u>3,680</u> | <u>1,650,841</u> |
| At 31/12/18 | <u>1,598,766</u> | <u>20,180</u> | <u>6,881</u> | <u>1,625,827</u> |

7. Inalienable tangible fixed assets

- The Foundation owns boardroom furniture and works of art dating from the 19th century. No value is attributed to these assets since the Trustee does not believe they have a material value.
- When the Cripplegate Foundation was established in 1891 under the London Parochial Charities Act 1883, all the assets of the Vestry of the Parish of St. Giles Cripplegate which had been given for charitable purposes were transferred to the new Foundation. In the main these consisted of the property (land and buildings), which the Vestry had administered. In 1965, the Vestry was abolished, and the Parochial Church Council of the new joint parish was vested with all the ecclesiastical assets. However, the Vestry still had a collection of secular silver plate that had been presented to it by the Inquest of Cripplegate Without in 1865. The then Governors of the Foundation agreed to take "this curious collection of silver" and to be the trustees for it. The Foundation is responsible for the plate since that time, and it is now on public display at St Giles Church, Cripplegate. The Trustee has also taken out insurance cover. It is the Trustee's view that this plate is held in trust and may not readily be sold. No valuation is therefore recorded in the accounts of the Foundation.

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- iii. The Foundation owns the freehold to property in West Kensington Mansions, the property is let on long term leasehold and the Trustee believes that there is no monetary value; therefore, it is not reflected in the fixed asset register.

8. Investments

a) Investment assets

| | £ | £ | £ | £ |
|--|--------------------------|-----------------------|--------------|-------------|
| Analysis of Movement of Investments | Unrestricted fund | Endowment fund | 2018 | 2017 |
| Opening Market Value 01/01/2018 | 1,961,684 | 37,271,996 | 39,233,680 | 36,443,201 |
| Additions at cost | 491,279 | 8,495,662 | 8,986,941 | 10,154,245 |
| Disposals proceed | (510,852) | (9,706,188) | (10,217,040) | (9,677,682) |
| Gain/(loss) on revaluation | (75,184) | (1,428,501) | (1,503,685) | 2,313,916 |
| Carrying Value at end of year | 1,866,927 | 34,632,969 | 36,499,896 | 39,233,680 |
| Cash held for investments | - | 1,778,607 | 1,778,607 | 658,810 |
| Total Investments | 1,866,927 | 36,411,576 | 38,278,503 | 39,892,490 |

| | £ | £ | £ | £ |
|---|--------------------------|-----------------------|-------------------|-------------------|
| Analysis of Investments by class | Unrestricted Fund | Endowment Fund | Total 2018 | Total 2017 |
| <u>Programme Related Investments</u> | | | | |
| 167 Whitecross Street ('The Drum') | - | 485,000 | 485,000 | 485,000 |
| Clerkenwell Medical Mission | - | 20,000 | 20,000 | 20,000 |
| <u>Investments held on recognised stockmarkets.</u> | | | | |
| Equities UK | - | 12,058,650 | 12,058,650 | 14,263,824 |
| Equities Overseas | - | 14,812,760 | 14,812,760 | 14,336,539 |
| Fixed Interest UK | - | 3,330,828 | 3,330,828 | 3,546,898 |
| Fixed Interest Overseas | - | 700,120 | 700,120 | 1,278,466 |
| Property Unit Trusts | - | 2,859,178 | 2,859,178 | 2,771,616 |
| Other | 1,866,927 | 366,434 | 2,233,360 | 2,528,337 |
| <u>Cash held for investment purposes</u> | | | | |
| Other | - | 1,778,607 | 1,778,607 | 658,810 |
| Total | 1,866,927 | 36,411,576 | 38,278,503 | 39,889,490 |

b) Programme related investments

The Foundation owns the freehold of 167 Whitecross Street, London EC1. This building was formerly a public house but is now occupied and used by London City YMCA for youth work. The property was purchased in 2000 for £250,874 as part of the Foundation's charitable activity. The property was let to London City YMCA at a peppercorn rent for a term of 25 years from 4th July 2000, with the provision that it is to be used for charitable objects in connection with young people. In 2014, the property was revalued in the accounts based on the valuation at 31st December 2014 by Daniel Watney Chartered Surveyors. The trustees have decided to hold the value of the programme related investment at £485,000, the value as at the date of transition under FRS102.

A loan of £25,000 was made to the Clerkenwell Medical Mission in 1982 to assist them in purchasing properties for their charitable purposes, and in 2012 £5,000 of this was repaid. The Foundation's interest is registered on the title deeds. The loan has to be repaid if the property is sold.

9. Debtors

| | 2018 £ | 2017 £ |
|---|----------------|----------------|
| Amounts receivable within one year | | |
| Prepayments | 3,459 | 26,798 |
| Accrued Income | 10,496 | 11,778 |
| Trade Debtors | 93,800 | 107,883 |
| Other Debtors | - | 6,841 |
| Total | 107,755 | 153,300 |

10. Creditors

| | | |
|--|------------------|------------------|
| Amounts falling due within one year | 2018 | 2017 |
| | | £ |
| Grants committed, not paid | 1,064,349 | 1,071,211 |
| Other creditors | 72,202 | 61,731 |
| Accruals | 100,240 | - |
| PAYE, Pension, including management charge | 105,333 | 81,024 |
| Deferred Income | 9,375 | 11,250 |
| Total | 1,351,499 | 1,225,216 |

All brought forward deferred income was released in the year.

| | | |
|---|----------------|------------------|
| Amounts falling due after more than one year | 2018 | 2017 |
| | £ | £ |
| Grants committed, not paid | 105,138 | 576,477 |
| Pension contribution | 579,200 | 656,116 |
| | 684,338 | 1,232,593 |

11. Staff pension commitments

a) Defined Benefit Scheme (closed)

Until 2006, the Foundation participated in a multi-employer pension scheme, the Cripplegate Foundation Pension and Assurance Scheme, for all staff. The assets of the scheme are held separately from the Foundation. The scheme is funded by contributions from the employees and participating employers in accordance with the recommendations of independent qualified actuaries on the basis of triennial valuations. Since 2006, due to the scheme being underfunded, the participating employers have closed the scheme to new members and have ceased accrual for existing members.

The Trustee of the Scheme commissions a formal funding assessment every three years. The main purpose of this funding assessment is to determine the financial position of the Scheme in order to address the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

A funding assessment as at 6th April 2017 was carried out for the Trustee of the Scheme by a qualified independent actuary. As at this date, the fair value of the Scheme's assets was £10m and the present value of funded obligations was £12m giving a deficit for the Scheme as a whole of £2m as at 6th April 2017. Cripplegate's share of the deficit is estimated to be 21.97% of the total.

The Scheme is a multi-employer scheme as defined in Financial Reporting Standard 102 (FRS 102), and under the provisions of FRS 102 relating to multi-employer schemes, Cripplegate accounts for contributions paid to the Scheme as though it were a defined contribution scheme.

Under FRS 102, a liability in respect of the future contributions due under any commitment to make good the shortfall in the Scheme and to cover the Scheme's expenses is now recognised.

The Trustee and employers agreed a Schedule of Contributions, signed by the Trustee on 25/04/2018, which required total annual contributions to the Scheme of £368,796 by 5 April 2025. Of this, Cripplegate is required to pay monthly contributions of £6,752, which excludes contributions of 21.3% of £105,000 pa towards future expenses and levies.

An additional funding charge or "liability" was recognised, representing the present value, as at 31 December 2018, of the future contributions payable under the commitment in force at that date.

b) Defined Contribution Scheme

The Foundation now participates in a defined contribution pension scheme and makes a contribution equal to 10% of pensionable salary. The Foundation has no on-going obligation in respect of this scheme other than to make the payments as they fall due.

12. Funds

a) Analysis of fund movements

| | Funds at 01/01/18 | Income | Expenditure | Gains, Losses and Transfers | Funds at 31/12/18 |
|------------------------------------|----------------------|------------------|------------------|--------------------------------|----------------------|
| | £ | £ | £ | £ | £ |
| Permanent Endowment | 39,273,993 | - | 183,916 | (1,428,501) | 37,661,576 |
| Restricted Funds | | | | | |
| LB Islington Community Chest | 35,028 | 200,200 | 249,254 | 50,000 | 35,974 |
| One Canonbury | 5,784 | - | - | - | 5,784 |
| IRSS | - | 21,250 | 21,250 | - | - |
| London Giving | - | 18,125 | 18,125 | - | - |
| Islington Together Research | - | 32,000 | 12,445 | 30,000 | 49,555 |
| Total Restricted Funds | 40,812 | 271,575 | 301,074 | 80,000 | 91,313 |
| Islington Giving | 31,308 | 819,560 | 658,840 | 50,000 | 242,028 |
| Unrestricted Funds | | | | | |
| General funds | 1,358,135 | 1,290,545 | 1,047,767 | (1,047,676) | 553,237 |
| Development Programme Fund | 231,000 | - | - | - | 231,000 |
| Social Investment Fund | 250,000 | - | - | (250,000) | - |
| Programme Development Fund | - | - | - | 950,000 | 950,000 |
| Pension Reserves | (737,140) | - | 23,076 | 99,992 | (660,224) |
| Sharing & Learning from Programmes | - | - | 8,027 | 42,500 | 34,473 |
| Total Unrestricted funds | 1,101,995 | 1,290,545 | 1,078,870 | (205,184) | 1,108,486 |
| Total Funds | 40,448,108 | 2,381,680 | 2,222,700 | (1,503,685) | 39,103,403 |

Detail of funds

Permanent Endowment Fund

The Permanent Endowment is the Foundation's capital fund – only the income may be spent, and the capital is not to be touched except to change the disposition of assets.

Restricted Funds

- **London Borough of Islington Community Chest** – Islington Council has awarded the Foundation the contract for administering Islington Council's Community Chest. The funds received are for grants to small groups across Islington and include a contribution of £36,000 to administrative costs which is included in transfer of funds in note 12, above.
- **Islington Residents' Support Scheme** – is Islington Council and the Foundation's joint response to recent welfare changes and the abolition of the discretionary Social Fund. It creates a fairer and better support system for those who need it most. It offers financial assistance and helps residents to improve their long-term situation through services such as welfare rights and money advice. The Foundation contributes funds to the Scheme.
- **Islington Giving** is a coalition of charitable trusts that give grants to help those in Islington living in poverty to access opportunities. It is administered as a restricted fund of Cripplegate Foundation. In addition, as a coalition partner Cripplegate Foundation contributed £50,000 towards the Islington Giving grants programme for the year.
- **Islington Together** – During the Islington Giving and Islington Council explored the potential of a ten-year partnership which would focus on how we could work together to make Islington the best place for all our residents to thrive. This fund was set up to do a research into the needs of the borough which will inform focus and projects for the partnership. This research will be published in April 2019 and a decision on this partnership will be made in 2019.

- **London's Giving** is a grant awarded to the Foundation by City Bridge Trust. The purpose of the grant is to fund a roll out of the Islington Giving model across other boroughs in London. The activity is delivered by London Funders.

Unrestricted funds are, in the main, the accumulation of the differences between income and expenditure over the years, and wholly available for charitable purposes.

- **Long Term Investment Fund:** is composed of funds that are not endowed but have been built up through the excess generation of income or reduced expenditure in the past. The Long-Term Investment Fund will act as a "smoothing reserve" to top up any shortfall in income from the endowment in a particular year so that spending can be maintained at current levels without compromising sustainability. the fund balance is in line with the reserve policy set up by the Governors.

Designated funds

- **Development Programme Fund** – this is designated to the Development Partners' Programme.
- **A social investment fund** – was set up in 2015 to provide funds for investing in organisations, which will benefit Islington residents. This is in addition to grant making by the Foundation. In 2018 Governors decided to close this fund and transfer the amount to Programme Development Fund.
- **Programme Development Fund** – This fund was set up in 2018 to include £700,000 transferred from Long Term Investment Fund and £250,000 from Social Investment Fund.
- **Sharing and Learning from Programme** – for production and dissemination of films and materials to share the learning from key areas of our work
- **A Pension Reserve** – was set up to cover the deficit in the multi-employer pension scheme; the amount repaid under the scheme will be covered from future investment income.

Fund Movements (Prior year)

| | Funds at 01/01/17 | Income | Expenditure | Gains, Losses and Transfers | Funds at 31/12/17 |
|---------------------------------|------------------------------|------------------|--------------------|--|------------------------------|
| | £ | £ | £ | £ | £ |
| Permanent Endowment | 37,209,559 | - | 199,122 | 2,263,556 | 39,273,993 |
| Restricted Funds | | | | | |
| LB Islington Community Chest | 33,910 | 199,800 | 248,682 | 50,000 | 35,028 |
| St Sepulchre | - | 23,539 | 23,539 | - | - |
| Cloudesley | - | 64,999 | 60,000 | (4,999) | - |
| One Canonbury | 5,784 | - | - | - | 5,784 |
| IRSS | - | 25,000 | 25,000 | - | - |
| London Giving | - | 15,000 | 15,000 | - | - |
| Total Restricted Funds | 39,694 | 328,338 | 372,221 | 45,001 | 40,812 |
| Islington Giving | 394,280 | 602,934 | 1,015,906 | 50,000 | 31,308 |
| Unrestricted Funds | | | | | |
| General funds | 1,219,830 | 1,259,393 | 984,673 | (136,415) | 1,358,135 |
| Programme Fund | 331,000 | - | 100,000 | - | 231,000 |
| Social Investment Fund | 250,000 | - | - | - | 250,000 |
| Pension Reserves | (715,000) | - | 113,914 | 91,774 | (737,140) |
| Total Unrestricted funds | 1,085,830 | 1,259,393 | 1,198,587 | (44,641) | 1,101,995 |
| Total Funds | 38,729,363 | 2,190,665 | 2,785,836 | 2,313,916 | 40,448,108 |

b) Funds analysis – by net assets

| | Investment Assets | Tangible Fixed Assets | Net Assets / Liabilities | 2018 | 2017 |
|---------------------|------------------------------|----------------------------------|-------------------------------------|-------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Permanent Endowment | 36,411,576 | 1,250,000 | - | 37,661,576 | 39,273,993 |
| Islington Giving | - | - | 242,028 | 242,028 | 31,308 |
| Restricted Funds | - | - | 91,313 | 91,313 | 40,812 |
| Unrestricted Funds | 1,866,927 | 375,827 | (1,134,268) | 1,108,486 | 1,101,995 |
| Total Funds | 38,278,503 | 1,625,827 | (800,927) | 39,103,403 | 40,448,108 |

Funds analysis – by net assets (Prior year)

| | Investment Assets | Tangible Fixed Assets | Net Assets / Liabilities | 2017 | 201 |
|---------------------|------------------------------|----------------------------------|-------------------------------------|-------------------|------------------|
| | £ | £ | £ | £ | |
| Permanent Endowment | 38,023,993 | 1,250,000 | - | 39,273,993 | 37,209,55 |
| Islington Giving | - | - | 31,308 | 31,308 | 394,28 |
| Restricted Funds | - | - | 40,812 | 40,812 | 39,69 |
| Unrestricted Funds | 1,868,497 | 400,841 | (1,167,343) | 1,101,995 | 1,085,83 |
| Total Funds | 39,892,490 | 1,650,841 | (1,095,223) | 40,448,108 | 38,729,36 |

13. Related party transactions

Cripplegate Foundation is a parochial charity with a restricted area of benefit. Governors are chosen, in part, because of their knowledge and local expertise and because of their involvement in the community. As a consequence, it is sometimes the case that Governors or their partners are trustees of organisations to which grants are made. The Foundation has a policy that any Governor who is a trustee of, or otherwise connected to, an applicant organisation may not take part in the decision on that application.

14. Governors' remuneration

No Governors received any remuneration or were paid any expenses during the year. Professional Indemnity insurance was taken out to protect the Foundation from loss arising from claims made against it by reason of any wrongful act committed by the charity, its employees or any other person, firm or company director appointed by and acting on behalf of the charity. The cost in 2018 was £1,250 (2017: £1,250). This cover was extended at no extra cost to include Executive Liability, which provides cover for Governors. The limit of indemnity is £250,000 per claim.

Appendix 1: Islington Giving 2018

Islington Giving is administered by Cripplegate Foundation and, for accounting purposes income and grant expenditure is a restricted fund whereas support costs, which are funded by the Foundation, are covered by unrestricted funds.

| | 2018 | 2017 |
|--|-----------------------|-------------------------|
| Funds brought forward | <u>31,308</u> | <u>394,280</u> |
| Incoming resources from generated funds | | |
| Coalition partners | 322,000 | 270,640 |
| Trusts and Foundations | | |
| Finsbury Educational Trust | 58,540 | 58,540 |
| Richard Reeves Charity | 44,383 | 44,383 |
| Big Lottery Fund | 150,000 | 150,000 |
| Arsenal Foundation | 50,000 | - |
| Peabody Trust | 21,180 | 18,395 |
| Argent | 12,000 | 12,000 |
| Other trusts and foundations | 108,375 | 1,523 |
| Donations from individuals | 81,736 | 69,971 |
| Donations from local businesses | 9,303 | 13,392 |
| Gift aid | 12,043 | 14,090 |
| Total incoming resources | <u>869,560</u> | <u>652,934</u> |
| Grants to organisations in Islington | | |
| Investing in Young People | 253,821 | 69,775 |
| Confronting Isolation | 101,136 | 423,500 |
| Supporting Families | 177,256 | 97,919 |
| Mental health and well-being | 126,627 | 49,712 |
| Cross cutting | | 375,000 |
| Total grants awarded in year | <u>658,840</u> | <u>1,015,906</u> |
| Funds carried forward | <u>242,028</u> | <u>31,308</u> |

All administrative and support costs are borne by Cripplegate Foundation allowing all funds raised to benefit the people of Islington.

| | £ | £ |
|-----------------------|-----------------------|-----------------------|
| Staffing costs | 216,809 | 176,375 |
| Support costs | 36,500 | 33,284 |
| Direct campaign costs | <u>80,377</u> | <u>29,798</u> |
| | <u>333,686</u> | <u>239,457</u> |

Appendix 2: Grants awarded in 2018

Cripplegate Foundation Main Grants awarded in 2018

| Main Grants Organisation | Project Description | Amount |
|---|---|----------------|
| Urban Hope | Towards a youth and community project providing safe spaces, positive relationships and new experiences. | 33,750 |
| Culpeper Community Garden | Towards core costs | 27,400 |
| The Women's Therapy Centre | Towards core costs | 10,000 |
| Solace Women's Aid | Towards the Women's Resilience Awareness Project | 64,300 |
| Islington Law Centre | Towards the Islington Three Advice Projects, and support for people completing statutory forms | 112,750 |
| Angel Shed Theatre Company | Towards core costs | 22,500 |
| Islington Council: RSS | Towards the Residents Support Scheme in 2019-20 | 55,000 |
| Islington Advice Alliance | Towards an interim project to help residents secure Employment Support Allowance and Personal Independence Payments | 5,000 |
| Islington Advice Alliance | Towards a project to help residents secure Employment Support Allowance and Personal Independence Payments | 10,000 |
| Royal Courts of Justice Citizens Advice | Towards the costs of a Welfare Benefits Generalist Adviser, to support the Islington Three Advice Projects | 20,222 |
| Grants written off in the year | | (1,421) |
| TOTAL | | 359,501 |

Grants to individuals

Telephone grants to individuals £900

Islington Giving Grants awarded in 2018

| Islington Giving Grants 2018 Organisation | Project Description | Amount |
|---|--|----------------|
| The Claremont Project | Towards a film to evaluate the partnership project 'Impro for Elders' | 1,250 |
| Islington Bangladesh Association | Family Catalyst funding | 5,000 |
| The Maya Centre | Family Catalyst funding | 5,000 |
| Islington MIND | Towards the Mother to Mother peer support project for mothers whose children experience mental ill health | 44,000 |
| Maa Shanti | Towards the Linking Together project for families | 35,000 |
| Help on your Doorstep | Towards the costs of Kings Cross Good Neighbours Scheme (GNS) - Peabody Funding Year 3/3 | 21,180 |
| Help on your Doorstep | Towards the costs of Kings Cross GNS (match funded with Peabody) | 29,140 |
| Help on your Doorstep | Towards the costs of New River Green GNS | 65,000 |
| Chance UK | Towards an early intervention child mentoring and parent programme | 50,532 |
| Grandparents Plus | Towards sessions supporting kinship carers and families | 50,000 |
| Home-Start Camden | Towards local initiatives to empower parents, support children's wellbeing and increase volunteering | 25,369 |
| School-Home Support (SHS) | Family Catalyst funding | 5,000 |
| Families First Local Authority Team | Family Catalyst funding | 5,000 |
| SEN Family Saturdays | Towards Family Saturdays sessions for parents with children with SEN. | 10,000 |
| The Brandon Centre | Towards Brandon Connect: empowering socially anxious young people disengaged from education, employment, training (EET) and social relationships | 46,570 |
| The Brandon Centre | Towards an extension of Brandon Connect in partnership with Arsenal in the Community | 38,500 |
| Body & Soul | Towards the 'You Are Not Alone' project for young people at risk of self-harm and suicide | 48,670 |
| The Brandon Centre | Towards the recruitment of Islington Youth Ambassadors for good mental health | 10,700 |
| Copenhagen Youth Project | Towards the costs for an inclusive youth club | 14,550 |
| Amberliegh | Towards the Get Fit, Be Focused, Get Confident Project | 12,000 |
| Centre 404 | Towards holiday play schemes for local children | 29,252 |
| The Dynamic Autism Group | Towards music activities for people with autism. | 7,000 |
| Isledon Arts CIC | Towards male focused arts project 'Man\Kind' | 5,200 |
| Middle Eastern Women and Society Organisation | Young Catalyst funding | 3,000 |
| London Village Network | Towards activities that open career opportunities for local young people. | 10,000 |
| Creative Opportunities C.I.C. | Towards the Creative Opportunities Mentoring Programme, pairing young people with creative professionals | 15,000 |
| Fully Focused Community Trust | Towards youth training and creative development in film and media | 45,700 |
| The Access To Sports Project | Towards the costs of adventure camps for young people | 15,000 |
| Body & Soul | Young Catalyst funding | 6,000 |
| No Recourse to Public Funds Team | Young Catalyst funding | 5,000 |
| Grants written off in the year | | (36,773) |
| | TOTAL | 626,840 |

Islington Council's Community Chest grants awarded in 2018

| ICCC Grants Awarded 2018 | | |
|---|--|-----------------------|
| Organisation | Description | Amount |
| The Sunday Club | Towards food costs for a welcoming homelessness project | 5,000 |
| Culpeper Community Garden | Towards craft and enrichment workshops for vulnerable adults. | 2,495 |
| The Turkish and Kurdish Children's Group | Towards running costs of a supplementary school. | 5,000 |
| Federation of Iraqi Refugees | Towards core costs | 4,912 |
| Sunnyside Community Gardens | Towards a parents' and under 5s drop in outdoor play session | 2,800 |
| Finsbury & Clerkenwell Volunteers | Towards core costs | 5,000 |
| Angel Community Canal Boat Trust | Towards the costs of free canal trips for Islington Community groups supporting isolated local residents | 2,500 |
| Goodinge Community Centre | Towards core costs | 5,000 |
| Community Language Support Services | Towards a project to build community integration | 10,000 |
| Fit Women Group | Towards the costs of women's aerobics, Pilates, and healthy eating workshops. | 5,000 |
| Islington Panthers Basketball Club | Towards basketball coaching costs | 5,000 |
| Connaught Opera | Towards a production drawing connection between music and memory. | 4,200 |
| Maa Shanti | Towards workshops and events for women in Islington to improve access to relevant support, promote mental well-being and reduce isolation. | 5,000 |
| Healthy Generations (formerly Music for People) | Towards the 'Reducing Isolation - Increasing Health' Project | 5,000 |
| Olden Garden Community Project | Towards core costs | 5,000 |
| Talking News Islington (TNI) | Towards core costs | 2,000 |
| Pro Touch SA | Towards inclusive physical activity and wellbeing sessions for young people | 4,320 |
| Amberliegh | Towards fitness and confidence sessions | 5,000 |
| South Islington Stroke Club | Towards core costs | 4,000 |
| EAGLE Recovery Project | Towards core costs | 5,000 |
| SLOW Bereaved Parents Support group | Towards costs for Islington support groups for bereaved parents and their surviving children. | 5,000 |
| MEWSO - Middle Eastern Women and Society Organisation | Towards the 'Rebuilding Lives' project for women affected by trauma. | 5,000 |
| Bridging the Gap | Towards mentoring support for vulnerable residents at risk of offending | 5,000 |
| Aflah | Towards workshops and activities promoting women's health and education | 3,500 |
| YES Outdoors | Towards the costs of bicycle maintenance workshops for young people. | 5,000 |
| Speak Street | Towards the costs of Speak Street Reading Club at South Library | 5,000 |
| The TOY Project | Towards rent costs for new premises. | 5,000 |
| Eritrean Youth Club | Towards development of a Football Team and cultural group sessions. | 5,000 |
| Phoenix Pottery CIC | Towards low-cost pottery classes for disadvantaged local people. | 5,000 |
| BIRD | Towards rent for studio space | 5,000 |
| STORE Schools & Projects C.I.C. | Towards 4 architecture summer school scholarships for students in Islington aged 14+ | 2,000 |
| Spear Islington Trust | Towards an employment support programme | 5,000 |
| Healthy Minds, Healthy Bods | Towards a holistic lifestyle, fitness and motivational course | 3,850 |
| Creative Opportunities C.I.C. | Towards rental costs | 4,700 |
| Bags of Taste | Towards dietary behaviour change courses | 4,952 |
| Rising Stars Support | Towards the 'Fight For Your Future - Islington' course | 5,000 |
| Sports And Life Skills CIC | Towards active community programmes for children and young people | 5,000 |
| St John's Way Patient Participation Group | Towards activities for physical, mental and social wellbeing. | 5,000 |
| Asperger London Area Group (ALAG) | Towards the costs of an Islington Autism Hub | 5,000 |
| Urban MBA | Towards a business education programme | 4,000 |
| The Bomb Factory Art Foundation | Towards art workshops for special needs children from The Bridge School | 3,520 |
| The Hive Food Bank | Towards food supplies for local people | 4,800 |
| Eat Club | Towards food clubs for young people | 4,310 |
| Friends of King Square Gardens | Towards the cost of tools for King Square Community Garden | 500 |
| King Square TRA | Towards the costs of tools, engagement activities and workshops. | 1,500 |
| We Are Family | Towards the costs of Islington peer-to-peer support groups for adoptive parents | 5,000 |
| St. Mellitus Church, Tollington Park | Towards an anti-knife project including installation of a knife-amnesty bin. | 2,000 |
| GALBUR FOUNDATION | Towards fun sessions for Hijabi footballers | 5,000 |
| The Unity Project | Towards casework support and community integration for people with NRPF. | 3,420 |
| Grants written off in the year | | (2,025) |
| TOTAL | | <u>213,254</u> |