

Charity Registration No. 312500

**THE ALDGATE AND ALLHALLOWS
FOUNDATION**

GOVERNORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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**THE ALDGATE AND ALLHALLOWS FOUNDATION
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The Governors present their report and audited financial statements for the year ended 31 December 2014.

This report has been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Reference and Administrative details of the Charity, its Governors and Advisors

The Aldgate and Allhallows Foundation is a charity registered in England and Wales no: 312500. The charity was established by a scheme dated 8 February 1971 made by the Secretary of State for Education and Science under Section 18 of the Charities Act 1960.

The principal address of the charity is 31 Jewry Street, London, EC3N 2EY.

The Governors who served in the year and up to the date of their report were:

J.M. Hall (Chairman)
H. W. Whitbread (Deputy Chairman)
K.M. Everett
G.B. Forbes
Marianne Fredericks
W.J. Hamilton-Hinds
R. Hazlewood
S. Islam
P. James
Denise Jones
Revd Laura Jørgenson
Susan Knowles
D.B. Mash
Revd Bertrand Olivier
D.J. Ross (resigned 16 April 2014)
M.G.C O'Dwyer (appointed 16 April 2014)

The Clerk to the Governors is R.M. Foley MSc.

There are two ex-officio Governors; five Governors are appointed by nominating bodies and a further eight Governors are co-opted. Governors serve for three years after which period they may put themselves forward for re-appointment. Governors meet formally twice a year and are all invited to acquaint themselves with the work of the beneficiaries who are supported by the Foundation.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

A review of performance has included skills audit, training needs and skills gaps within the overall body. Nominating bodies are made aware of skills requirements and their applicants are selected on these requirements. Co-opted vacancies are selected from similar criteria on recommendation from within the governing body.

Mr Everett and Revd Laura Jørgenson are Governors of Sir John Cass's Foundation.

Mr Forbes is also a Governor of Sir John Cass's Foundation and is an appointee to The Aldgate and Allhallows Foundation from the Central Foundation Schools of London.

The day to day administration of the Foundation is carried out by the staff of Sir John Cass's Foundation for which a fee is paid. An agreement between the two Foundations was signed in May 2009. As The Aldgate & Allhallows Foundation does not employ staff, and disposed of its property last year, it is exposed to fewer risks than some other charitable organisations.

With respect to the risks attached to investment management and grant making, Governors are satisfied with the procedures that have been established to review these risks regularly, and with the actions taken to mitigate exposure to them.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

The principal advisors to the charity are:

Auditors	Myers Clark Chartered Accountants and Statutory Auditors Iveco House Station Road Watford Hertfordshire WD17 1DL
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ
Investment advisors	Aberdeen Asset Management Limited 10 Queens Terrace Aberdeen AB10 1YG
Solicitors	Devonshires Salisbury House London Wall London EC2M 5QY

**ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Objectives and activities

The charity's objective is to promote the education of young persons under 25 who reside in the City of London or in the adjacent London Borough of Tower Hamlets. In spite of the evident high levels of corporate and public investment in the borough in recent decades, a considerable proportion of its residents, including many young people, continue to live in hardship. Data assembled by Experian and published in March 2012 ranked Tower Hamlets sixth out of all local authority areas in England in terms of the presence of households at the greatest risk of experiencing child poverty.

Alongside financial poverty many might also suffer a 'poverty of experiences': a shortage of encouragement or opportunity to engage in the rich variety of educational and cultural experiences that London affords so close to where they live.

The charity continues to support a mix of charitable and voluntary organisations that directly assist young people in its area. It also supports young people in local primary and secondary schools in ways that go beyond statutory educational provision, through activities that include art, music, theatre, sport, recreational reading and writing. The criteria for grant-making are outlined on the Foundation's website (www.aldgateallhallows.org.uk).

Governors can also offer support to young people beyond school years who are in financial need, maybe while they are undertaking undergraduate or post-graduate studies. Such beneficiaries, or their parents or guardians, must have resided or been employed in the area for at least three years.

Supported programmes are monitored and outcomes evaluated. The charity pays close attention to the Charity Commission's guidance on public benefit. Particular attention is given to supported organisations where a programme extends beyond one year and can thereby improve its impact. Continued funding to organisations, and also to individuals, is dependent on performance.

Achievements and Performance

The Foundation exists to promote the education of young persons under 25 who reside in the City of London or in the adjacent London Borough of Tower Hamlets. During the year the Foundation has continued to support a mix of individual young people and organisations that directly engage with young people in local schools.

Expenditure on grants during 2014

The charity's grant-giving during the year to 31 December 2014 totalled £291,444. The beneficiaries comprise 36 individuals and 21 organisations or groups. Individuals supported through the Aldgate and Allhallows Scholarships Programme at Queen Mary, University of London will henceforward benefit from an award of £1,250 per annum (now raised from the original level of £1,000). The Foundation has also inaugurated a scholarships programme for students at the St Paul's Way Trust School.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Again, the Foundation has given support to organisations that engage with those who fall within the eligibility criteria by working with an appropriate range or geographical cluster of primary and/or secondary schools in Tower Hamlets. This is the purpose of the grants awarded to the Box Clever Theatre Company, City of London Sinfonia, Wellington Trust and Whitechapel Gallery. (See the list of principal grant awards on page 15) Some of the benefiting organisations are newcomers for the Foundation: this is the case with the British Exploring Society and The Open University, for example.

Individual charities like Aldgate and Allhallows often support projects and programmes that require multiple funders to reach their target beneficiaries. The new support for breakfast clubs in selected schools in Tower Hamlets is an example of this: the Foundation is one of several charities (and businesses for that matter) which are adding to the efforts of the Mayor's Fund for London. A combination approach, in this case between Aldgate and Allhallows and Sir John Cass's Foundation, was clearly evident at the formal launch of the Schools Funding Network in the company of Baroness Joan Walmsley in the House of Lords in February 2014. The Foundation thanks Baroness Walmsley for her warm support of the Network's ambitions.

Although most of the Foundation's charitable support focuses on personal circumstances and what might be called educational and cultural enrichment, from time to time support is offered to capital projects that further the Foundation's aims. Last year involvement with Wilton's Music Hall was reported. The Foundation is pleased to add that during the current year Wilton's entered into a formal agreement about how the Aldgate and Allhallows Foundation Learning and Participation Studio will be used for the benefit of local schoolchildren. This method of striking an understanding in relation to capital development has also been applied to the Aldgate and Allhallows Phonics Suite at the Old Ford Primary School Academy. Developments there will be reported more fully during 2015.

The Foundation's investments and income

The Deputy Chairman observes the current financial position:

The Foundation's investment managers Aberdeen achieved outperformance against the FTSE All Share index by dint of exposure to UK bonds and international equities. Once again all income from the Endowment Fund was reinvested and all cash required for grants was drawn from Accumulated Income; this circumstance accounts for the slightly strange projection of the accounts.

At the time of writing the equity market seems high, buoyed by quantitative easing in Japan and Europe, and the bond market appears to be at an unsustainable level, so the Foundation is grateful to the fund managers for careful navigation through this. The current objective will be to retain the level to which funds have grown rather than to go for further growth.

As always, the Governors are indebted to Billy Whitbread, Deputy Chairman, for his close attention to the Foundation's financial performance in both the short and longer terms.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

The Governors and the Foundation's staff

The Governors were very pleased to welcome Colonel Michael O'Dwyer OBE to his first meeting during the year. Formerly serving with the Irish Guards, Colonel O'Dwyer has succeeded Brigadier David Ross CBE as Clerk to the Brewers' Company, who through the will dated 1686 of Alderman James Hickson, one of the Foundation's three charitable founders, nominates three members of the governing body.

Governors were also delighted to learn that Queen Mary, University of London, would confer an Honorary Fellowship on David Mash MA JP ARCO, who when Chairman of the Foundation had taken a particular interest in the development of the scholarships programme at QMUL and also of the related Centre of the Cell. David's installation took place with appropriate ceremony (and organ music) in the restored Great Hall of the Mile End campus in July 2014. The citation for his award mentioned, in addition to his untiring efforts for Aldgate and Allhallows, his broader work in education and local life, noting that he 'is a vital part of the so-often "hidden wiring" through which runs the powering current of successful civic society.'

One piece of news deserves reporting now even though it falls into the calendar year 2015. Following interviews in January 2015 the Foundation's own Clerk and Chief Executive Richard Foley was also promoted to the post of Clerk and Chief Officer of Sir John Cass's Foundation in succession to Tony Mullee, and where he had been deputy for several years. The Governors congratulate Richard and wish him every success, and look forward to a continuing creative collaboration with the similarly aged, and similarly energetic Cass Foundation which whom we share the Jewry Street office, and the ever-helpful supporting staff team.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

Financial Review

Over a 25 year period to the mid 1990s, the capital of the Foundation grew from £30,000 to £2m as a result of the sale of mainly freehold residential property that had a minimal written-down value. Currently the Foundation holds assets of more than £7m.

The Trustees regularly review the Foundation's reserves requirements in line with the Charity Commission guidelines. In conducting their review, the Trustees are focusing on the level of free reserves which are those unrestricted funds not designated for specific purposes or otherwise committed. The objectives for the Foundation's reserves are to maintain a prudent level of operating reserves for operating costs and to create and maintain a minimum grant enabling fund of at least £1m to accommodate future grant applications.

At 31 December 2014, the Foundation's unrestricted funds were £1,191,310 of which at least £1,000,000 has been set aside for future grant applications, to act as a buffer against income needs and to help fund the Foundation's contingent liabilities. The Trustees' aim has been to gradually reduce income reserves over time; in December 2007 the Income Fund amounted to £2,543,152. This reduction has been achieved by drawing funds for expenditure exclusively from the accumulated income and allowing income from the Endowment Fund's securities to be added to the Endowment Fund

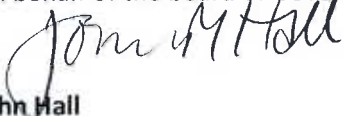
Statement of Trustees' Responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the net incoming/(outgoing) resources for the year. In preparing the financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to do so.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of Governors



John Hall

Chairman

29 April 2015

**THE ALDGATE AND ALLHALLOWS FOUNDATION
INDEPENDENT AUDITOR'S REPORT
TO THE GOVERNORS OF THE ALDGATE AND ALLHALLOWS FOUNDATION**

We have audited the financial statements of The Aldgate and Allhallows Foundation for the year ended 31 December 2014 which comprise the Statement of Financial Activities, Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective Responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the Audit of the Financial Statements

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

Opinion on the Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- 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.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE GOVERNORS OF THE ALDGATE AND ALLHALLOWS FOUNDATION**

Matters on which we are required to report by exception

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

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



Myers Clark
Statutory Auditor

Myers Clark
Iveco House
Station Road
Watford
Herts
WD17 1DL

Date: 09.06.2015

**THE ALDGATE AND ALLHALLOWS FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Unrestricted funds £	Endowment funds £	Total 2014 £	Total 2013 £
Incoming resources from generated funds				
Listed investment income	5,397	19,786	25,183	29,245
Interest receivable	245	-	245	1,031
Donations received	2 48,999	-	48,999	42,991
Total incoming resources	54,641	19,786	74,427	73,267
Resources expended				
Grants payable	3 291,444	-	291,444	288,535
Investment managers fee	5,697	27,703	33,400	29,245
Administration fee – Sir John Cass’s Foundation	42,269	-	42,269	42,589
Audit fee	2,844	-	2,844	2,760
Governors’ expenses	7 1,197	-	1,197	726
Stationery	-	-	-	94
Insurance	949	-	949	639
General expenses	954	-	954	463
Total resources expended	345,354	27,703	373,057	365,051
Net (outgoing)/ incoming resources for the year before other recognised gains and losses				
	(290,713)	(7,917)	(298,630)	(291,784)
Profit on sale of investment asset	-	-	-	281,317
Gain on investment assets	26,113	123,238	149,351	596,709
Net movement in funds	(264,600)	115,321	(149,279)	586,242
Fund balance as at 1 January 2013	1,455,910	6,215,074	7,670,984	7,084,742
Fund balance as at 31 December 2014	1,191,310	6,330,395	7,521,705	7,670,984

**THE ALDGATE AND ALLHALLOWS FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2014**

	Note	£	2014 £	£	2013 £
Fixed assets					
Listed investments	4		7,495,955		7,546,604
Current assets					
Debtors	5	2,942		662	
Cash and bank in hand		59,928		132,159	
				<u>132,821</u>	
Creditors: amounts due within one year	6	(37,120)		(8,441)	
				<u></u>	
Net current assets			25,750		124,380
			<u></u>		<u></u>
Total assets less current liabilities			<u>7,521,705</u>		<u>7,670,984</u>
Funds of the charity:					
Endowment fund			6,330,395		6,215,074
Unrestricted fund			1,191,310		1,455,910
			<u></u>		<u></u>
Fund balance as at 31 December 2014			<u>7,521,705</u>		<u>7,670,984</u>

The accounts were approved by the Governors on 29 April 2015

H W Whitehead

Governor

John Mitchell
Governor

THE ALDGATE AND ALLHALLOWS FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historic cost convention to include the revaluation of certain fixed assets. The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity. The accounts have been prepared in accordance with applicable accounting standards and Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005) as applicable to small charities.

Incoming resources

Incoming resources are recognised when entitlement passes to the charity, receipt is certain and amounts are measurable.

The Foundation is entitled to ten thirteenths of the surplus from the Charity of Alderman James Hickson.

Resources expended

Resources expended are recognised when a legal or constructive obligation to pay arises.

Grants are recognised in the accounts in the year in which they are committed. Grants which are subject to conditions which have not been met by the recipient at the year end are not accrued as expenditure but noted as commitments.

Investments

Investments are held for the purpose of the generation of income for future grant payments and are stated at mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Funds

The permanent endowment fund comprises the original capital fund, and gains thereto, established to provide income for grant payments in accordance with the objectives of the Foundation. The capital can not be converted into income. The fund is represented by the capital investment included in fixed assets.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

2 Donations

	2014	2013
	£	£
Charity of Alderman James Hickson	48,999	42,991

3 Grants

	2014	2013
	£	£
Grants approved in the year	301,444	297,535
Less: grants cancelled	(10,000)	(9,000)
Grants payable per Statement of Financial Activities	291,444	288,535
Creditors at 1 January 2014	5,000	31,000
Grants paid in the year	(273,244)	(314,535)
Creditor at 31 December 2014	23,200	5,000

**THE ALDGATE AND ALLHALLOWS FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

3 Grants (continued)

Grants awarded can be analysed as follows:	2014	2013
	£	£
Grants to institutions – 21 (2013: 14)	255,444	244,535
Grants to individuals – 36 (2013: 46)	36,000	44,000
	<u>291,444</u>	<u>288,535</u>

Major grants (of £10,000 or more) to organisations were as follows:

Name	Description	Amount £
City of London Sinfonia	Music Project with Key Stage 1 children from Tower Hamlets Primary Schools	10,000
Mayor's Fund for London	Breakfast Clubs for 10 Primary Schools in Tower Hamlets	15,000
Open University	Tower Hamlets Outreach Project	10,000
Demos	Research entitled: Climbing the ladder: Young Muslims and the professions in 2014 (focusing on Tower Hamlets)	10,000
Old Ford Primary School Academy	Aldgate & Allhallows Phonics Suite	10,000
Whitechapel Gallery	Tower Hamlets Secondary School Programme	15,000
St Pauls Way Trust School	Travel Grants and Scholarships in the 2014/15 academic year	15,000
British Exploring Society	Dangoor Generation Programme	30,000
Wellington Trust	Educational visits for Pupils from Tower Hamlets	14,800
Share Foundation	Junior ISAs for Looked After Children in the City of London and Tower Hamlets	15,700
Wilton's Music Hall	A&A Learning and Participation Studio	50,000
Box Clever Theatre	Mark and Marked Project involving Primary Schools in Tower Hamlets	20,000

**THE ALDGATE AND ALLHALLOWS FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

4 Listed investments

	Income fund	Endowment fund	Total
	£	£	£
Market value as at 1 January 2014	1,343,544	6,203,060	7,546,604
Change in value in the year	26,113	123,238	149,351
Drawdown of funds	(200,000)	-	(200,000)
Market value as at 31 December 2014	<u>1,169,657</u>	<u>6,326,298</u>	<u>7,495,955</u>
Historic cost:			
At 31 December 2014	<u>868,547</u>	<u>4,779,140</u>	<u>5,647,687</u>
At 31 December 2013	<u>1,006,497</u>	<u>4,703,244</u>	<u>5,709,741</u>

The Foundation's investments are managed by Aberdeen Asset Management and held in fixed interest, equities and cash. Assets comprising more than 5% of the portfolio were:

Fund Description	Units	Market Value £
Aberdeen Asset Management Charity Select UK Bond Account	679,613	977,691
Aberdeen Asset Management Charity Select UK Equity Account	2,882,753	4,661,411
Aberdeen Asset Management Charity Select Global Ex UK Equity Account	643,169	1,250,578
Orbita Capital Return Strategy Ltd	45	485,576

**THE ALDGATE AND ALLHALLOWS FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

5 Debtors

	2014	2013
	£	£
Prepayments	662	662
Other debtors	2,280	-
	<u>2,942</u>	<u>662</u>

6 Creditors: amounts due within one year

	2014	2013
	£	£
Grants payable (note 3)	23,200	5,000
Trade creditors	-	102
Accruals	13,920	3,339
	<u>37,120</u>	<u>8,441</u>

7 Governors' remuneration

None of the Governors (or and persons connected with them) received any remuneration during the year. However Governors incurred expenses totalling £1,197 for travel and subsistence (2013 £726).

8 Employees

There were no employees during the year.

The day to day administration of the charity is carried out by the staff of Sir John Cass's Foundation to which a management fee is paid. It should be noted that each charity operates independently with its own policies and separate governing bodies. The management fee charged in the accounts for the year ended 31 December 2014 is £42,269.

**THE ALDGATE AND ALLHALLOWS FOUNDATION
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014**

9

	Balance at 1 January 2014	Incoming resources	Resources expensed	Investment gains/(losses)	Balance at 31 December 2014
	£	£	£	£	£
Endowment fund	6,215,074	34,322	(42,239)	123,238	6,330,395

10 Analysis of net assets

	Unrestricted fund	Endowment fund	Total
	£	£	£
Fund balances at 31 December 2014 are represented by:			
Listed investments	1,169,657	6,326,298	7,495,955
Current assets	48,919	13,951	62,870
Creditors: amounts due within one year	(27,266)	(9,854)	(37,120)
	<u>1,191,310</u>	<u>6,330,395</u>	<u>7,529,922</u>

11 Grant commitments

Grants totalling £159,993 (2013: £134,700) have been approved for future years dependent on progress reports in the current year. They have not been accrued in the financial statements but will form part of grants in future years. These are being disclosed as contingent liabilities.