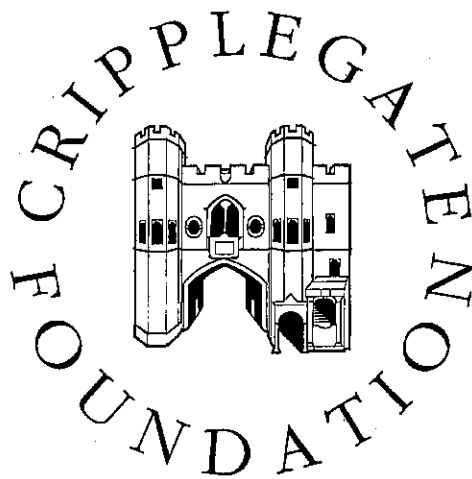


ANNUAL REPORT

for the year ended
31ST DECEMBER 2007



CRIPPLEGATE FOUNDATION

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Report of the Governors

Objectives and activities

The Foundation's mission is to address poverty, improve access to opportunities and promote social cohesion. The Foundation's five year strategic aims are:

- to ensure that Cripplegate Foundation is recognised as a model of good practice through making effective grants and evaluating the impact of its programmes
- to inform and influence policy
- to increase its income so that it will serve the whole of Islington

The Foundation's core principles are:

- to be an effective pro active grant maker
- to be a voice for change in its area of benefit
- to engage with others in open dialogue and debate
- to value working in partnership
- to be independent and to be seen to be independent
- to be a resilient organisation which values diversity
- to be professional in all its dealings with applicants, grant holders, stakeholders, partners and staff
- to be a responsive organisation

Over the next 5 years the Foundation will:

- Develop its grant making programmes in ways which most effectively address its aims. These will address poverty, improve access to opportunities and promote social cohesion
- Be an agent for change
- Grow the Foundation and enable it to serve the whole of Islington
- Develop a more visible and accessible organisation
- Develop as a well governed and managed organisation

The Foundation's strategic plan is available on its website.

The Foundation's scheme states that its net income is applied to any or all of the following:-

- 1) 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 the said persons;
 - 2) In relieving either generally or individually persons resident or employed in the area of benefit who are in conditions of need, hardship or distress by making grants of money or providing or paying for items, services, or facilities calculated to reduce the need, hardship or distress of such persons;
- and;
- 3) In promoting such charitable purposes for the general benefit of the inhabitants of the Area of Benefit as the Governors think fit.

During 2007, Governors actively reviewed their future strategy and agreed a framework to plan and address future priorities and needs in south Islington. Detailed analysis of the Foundation's funding by geographical area, by groups of people and level of grants has helped to identify gaps in the Foundation's programmes. The Foundation's future grants programmes are being shaped by this information.

In December 2007, Governors agreed their strategic objectives and priorities for 2008-2011. The Foundation's strategic vision is to contribute to a society where the potential and aspirations of all local people are fully realised. Cripplegate Foundation aims to make a difference by being a force for change.

Grant Making Policy

The Foundation invites applications for grants through information on its website, advertising through local networks, the local press and its links with organisations.

Applications to the main grants programme are considered for grants of up to three years. Grants from Islington Community Chest Panel are made for one year only. Individuals who apply for a grant are encouraged not to apply again for a further two years.

Application forms for each of the programmes are available on the Foundation's website, by email or by post. All applicants are visited by Foundation staff. Organisations are offered advice on management issues, local networks, premises, other funding sources and new areas of work. Individuals are given expert advice on benefits and local services.

Successful organisations must provide monitoring reports to the Foundation and are visited by Foundation staff.

The Foundation has also developed a pro-active approach to its work. It has a wider role in identifying needs, unpopular causes and supporting new developments in its area of benefit. This approach is informed by knowledge of the area gained through its grant making.

Achievements and performance

Review of Activities

The Foundation gives grants to both organisations and individuals. Full information about all the Foundation's grant giving programmes can be obtained from our website (www.cripplegate.org) with application forms and dates of meetings.

Grant Giving to Organisations

The Foundation supports a wide range of voluntary organisations working in south Islington. These include youth groups, mental health projects, welfare rights services and infrastructure support for the voluntary sector. All organisations need to show a strong link with the Foundation's area of benefit and demonstrate how they will address one of the Foundation's themes. In 2007, 59 grants totalling £771,450 were agreed. (2006: 46 grants totalling £792,010)

Significant grants awarded in 2007 have included core funding for Islington Age Concern (£72,000 over 3 years), the Claremont Project (£43,075 over 3 years towards the cost of work with older people), Finsbury and Clerkenwell Volunteers (£43,480 over 3 years), London Symphony Orchestra (£65,000 over 3 years) and the Peel Centre (£60,000 over 3 years). The programme is reactive and provides core and project funding to key voluntary organisations based in Islington. The main grants programme will be reviewed in 2008 to evaluate the effectiveness of the current programme, identify gaps and to stimulate demand where necessary.

Two major projects started in 2007 – Xaaweely, a Somali Domestic Violence Project and the Essex Road Advice Project. Funding of £97,730 over 3 years was agreed in December 2006 towards the cost of establishing a service for Somali women who are victims of domestic violence. The Essex Road Advice Project also started. Funding of £125,000 over 3 years (£85,000 funded by Cripplegate and £40,000 funded by Islington Strategic Partnership) was agreed in June 2007 towards the cost of a welfare and legal advice service in the Essex Road area of Islington.

The Xaaweely Project is a partnership of three small Somali groups each employing a part-time worker. The partnership is supported by experienced organisations including Latin American Women's Aid, Imece and Islington Women's Aid. The Islington Domestic Violence Partnership Coordinator and Cripplegate Foundation also attend partnership meetings. The project is also addressing the issue of female genital mutilation. Rocket Science, a research company, has been commissioned to evaluate its work. The project is proving challenging as this is a new area of work for the community. Nevertheless it is now running workshops on domestic violence, which are well attended and referring women at high risk of domestic violence to Women's Aid. It is still the only project of its kind in the UK.

The Essex Road Advice Project, run by the Mary Ward Centre and Islington Law Centre, started sessions in November 2007. These are based at Rotherfield School, New North

School, The Rosebowl Youth Club, and the Manna homeless project. There will be a take up campaign in 2008 on the New River Green estate. The project is modelled on the successful South Islington Advice Project and has a steering group of outlet agencies and social landlords, which is chaired by the Foundation. Initial use of the service is impressive, with a 70% take up of advice appointments.

Both these areas of pro activity developed from knowledge gained through the Foundation's main grants and small grants programmes. In 2008 they will be fully operational. Each is being evaluated to establish the impact of these models of working and the benefits they bring to Islington residents.

Cripplegate Foundation Schools Programme

The schools programme was established in 1997 as a way of offering opportunities to children in south Islington and to promote social cohesion. The programme had provided funding of up to £10,000 to primary schools, £20,000 to special schools and £25,000 to secondary schools over a three year period.

In 2007 sixteen of the twenty nine schools within the Foundation's area of benefit received grants to support a wide range of new opportunities for children. These included home school support workers, residencies with Little Angel Marionette Theatre, writers in residence and school journeys. In addition Governors agreed to continue its support for TEXT: Writers in Schools, which the Foundation set up in 2002 in partnership with the provider of Islington's education services, CEA@Islington. TEXT offers schools a term's residency by professional writers in creative writing ranging from poetry to science, history or new plays. Its work has now expanded to include schools in north Islington funded directly by these schools.

It was agreed that in 2007, the Foundation would review its schools programme to identify its priorities and maximise the impact of its work. Governors have agreed that the focus of the programme needs to be more closely aligned to Foundation priorities. Primary schools will be allocated £10,000 each over a three-year period from 2008 and are now being asked to provide more focused monitoring and evaluation of any funded work. Secondary schools have proved more difficult to engage with the programme and the Foundation has decided that it will no longer allocate specific funding for these schools. Three special schools in the Cripplegate area, with the exception of Richard Cloudesley Primary Department, will be moving to north Islington in 2008. Any further applications from these schools will be based on numbers of south Islington pupils.

Meetings are now being held with CEA@Islington, the provider of Islington's education services, on a regular basis to increase the impact of the programme through:

- a possible focus on Pupil Referral Units
- further work through Extended schools/provision
- a contribution to the Islington Guarantee, primary and secondary

- ways of designing projects which schools would have to commit to, either singularly, in groups, or networks - this could help make sure that resources targeted the right young people
- reviewing how work in secondary schools can increase young people's achievement and life chances

Cripplegate Foundation and the Canonbury Community Development Group

In October 2004, the Foundation held a conference to bring together 70 local agencies and residents. We were aware that there is a high level of need, but fewer applications for funding came from the Essex Road/Canonbury area than elsewhere in south Islington. The conference identified:

- a lack of cooperation between agencies
- a lack of knowledge of current services
- gaps in provision of services

The Canonbury Community Development Group was set up in 2005. It aims 'to improve the quality of life of Canonbury residents, taking proper account of disadvantaged and socially excluded groups'. It essentially has two purposes – to develop strong local networks and to identify and develop new local services.

The group meets four times a year and now 25 people attend meetings, which are held at a local community centre. Lucy Watt, who is both a ward councillor and Cripplegate Governor, chairs the group. Membership includes the head teacher of New North School, extended school coordinators, older people's organisations, youth groups, Turkish, Bengali and Somali groups, Sure Start, Groundwork, Southern Housing, Homes for Islington and local Safer Neighbourhood Teams.

The group has continued to develop in 2007 and now has over 40 members. New members in 2007 include Partners, the social landlord for street property in Islington, Rotherfield School and Islington Strategic Partnership. A new information booklet showing the availability of services was published in February 2007. The booklet was produced in partnership with Southern Housing. It has proved popular and is widely used by agencies and local residents.

There is a three-year action plan in place, which focuses on addressing poverty, health and improving opportunities. The steering group met five times in 2007 and each of the sub groups for older people, black and minority ethnic and refugee communities, and young people met four times. All have continued to develop their own work in the area. This included two well attended events – an Older People's Fun Day for 100 local people and a Health Event for 100 mainly Somalian and Kurdish women and children. Both events were used for consultation and have led to the development of new ideas and activities in the area. The Group is now looking at how to use local tenants' halls more effectively, so that they can be used by local residents for training, meetings and events.

The Canonbury Group is now being seen as a model of how to work effectively in a local area. In 2006 Islington Strategic Partnership approached the Foundation to see whether it could take forward neighbourhood management in the local area. It is the only neighbourhood model, which is currently working successfully in Islington. Essentially, neighbourhood management aims to ensure that improvements to local services are strongly influenced by local residents. This could improve access to senior staff in key agencies such as education, health, housing and open space. Importantly, it provides an opportunity to influence how neighbourhood management is introduced to Islington. It will also provide additional funding for the area. Islington Strategic Partnership has provided £105,000 towards the costs of this neighbourhood management work, including £20,000 towards the cost of evaluation of the programme. This evaluation will start in 2008.

As the work of the group develops, it is attracting further support. Well London, a Lottery funded project over 20 boroughs in London has committed £350,000 over three years to the Canonbury area. The Canonbury Community Development Group is exploring whether it can support local developments.

Grants to Individuals

Grants of up to £500 are available to residents in south Islington for household items such as furniture and washing machines. In 2007 there were 142 grants totalling £40,168 (2006: 156 grants totalling £43,627) All applicants are visited by an experienced welfare rights worker, who is able to offer advice on a range of benefit issues as well as linking residents to services such as counselling, support groups and sports activities.

Most successful applicants were facing a crisis in their lives or dealing with very difficult circumstances such as relationship breakdown, the diagnosis of a major illness, the threat of children being taken into care, harassment and domestic violence. Many were also trying to cope with living with an acute illness on benefit levels for long periods of time. A review of applicants in 2007 showed:

- Successful applications from BME communities have increased from 37% in 2004 to 63% in 2007. Work will continue to maintain this level of applications from minority communities.
- 53% of applicants stated that they had a disability or chronic illness. Chronic illness is here defined as a condition lasting for more than one year. 27% had a mental health problem ranging in severity from depression and anxiety disorders to severe and enduring conditions such as schizophrenia and bi-polar affective disorder.
- 36% of applicants were found to have a significant level of debt. In some cases, the repayments left them living at levels significantly beneath the Income Support level.
- 62% of applications came from people who had not previously applied for a grant from the Foundation.

- 34% of applicants were found to have a certain or potential entitlement to extra welfare benefits, amounting to a total of more than £129,400 per annum. Applicants were advised of their potential entitlement and referred to advice agencies to help them to make claims. The amount of potential extra income generated for applicants was more than three times higher than the total annual budget of the Grants to Individuals programme in 2007.
- 44% of applicants were advised of services that may be of help to them. These included 50 local organisations offering training, education programmes, counselling services or legal services.

Evaluation of the Foundation's Programmes

In the Foundation's 2006 Annual report, we reported that the Foundation would review its grants to individuals programme. We commissioned a research company, Rocket Science, to produce a report on poverty in Islington in 2007. This is based on evidence gained through the Foundation's own grants to individuals programme, and by organisations supported by the Foundation including the Mary Ward Centre, the Parent House, Islington Bangladesh Association and Home School Support. Interviews were being held with users of these services and stakeholders. A steering group of agencies and stakeholders is supporting the project. The report will be launched in spring 2008.

Grant Making for Others

Grant Making for Others: Islington Community Chest

From 2001-March 2006 Cripplegate Foundation ran a small grants programme which aimed to support small and new local community groups to contribute to their communities. The Government Office for London (GOL) asked the Foundation to distribute grants for Islington under the Government's Neighbourhood Renewal Community Chest (NRCC) and Community Learning Chest (NRCLC) programmes. Over 500 grants totalling £1.3m were made to small Islington voluntary organisations.

Islington Community Chest builds on the success of the NRCC programme and is being supported by Islington Strategic Partnership. Funding has increased for the programme from £360,000 in 2005/2006 to £600,000 in both 2006/2007 and 2007/2008.

The programme aims to:

- promote active citizenship
- sustain and build the capacity of the voluntary sector
- promote a vibrant cohesive community
- contribute to local regeneration
- empower people to take an active part in their communities

- develop trust between people
- build confidence

The programme encourages communities to address inequality issues through projects which improve health, support environmental programmes as well as funding organisations working with tenants and new refugee communities.

Up to £200,000 is allocated for grants of up to £10,000 each and £320,000 is allocated to grants of up to £5,000 each. Organisations can apply once a year for a grant. Islington Community Chest offers grants to all voluntary organisations with a turnover of less than £100,000 working in Islington. Priority is given to organisations with a turnover of less than £50,000.

The Foundation's approach to the Community Chest is similar to its own grants programme. All organisations are visited and offered advice. The programme is successful and has reached many new groups, but the quality of applications is often poor. The Community Chest programme is now central to the Foundation's grant giving. It has provided opportunities for the Foundation to work with a wider range and a larger number of organisations, notably refugee and black and minority ethnic communities.

333 applications have been received since April 2006 and all have been visited or contacted by Foundation staff. Key priorities for the development of the Islington Community Chest programme in 2007 were supporting new health projects and organisations for older people.

A highly successful event in September 2007 showcased the work of groups funded by Islington Community Chest where the Leader of Islington Council expressed his support for the programme.

This is a cost effective programme, which has reached over 50,000 Islington residents in 2006/2007. Islington Strategic Partnership has confirmed that funding will be available for the programme in 2008/2009.

The Foundation continues to use the programme to support the following initiatives:

- **A Somali Forum** for 35 Islington groups, in partnership with Ethnic Minority Achievement Service – the Foundation is now the largest funder of Somali groups in Islington and is using the Forum as a way of encouraging partnership working and addressing issues such as mental health and domestic violence in the Somali community. The new Somali Women's Domestic Violence Project was partly informed by the work of the Forum. In 2007, The Foundation agreed funding for a coordinator for the Forum to help to develop its work.
- **Establishment of the BME and Refugee Group of the Canonbury Community Development Group.** Using the links developed through the Community Chest programme, this group of Somali, Turkish/Kurdish and Bengali organisations has developed practical ways of improving services for BME and refugee communities in the local area. These include parenting classes, health events and the new training opportunities.

- **Development of a Supplementary School Partnership** with CEA@Islington and Islington Council to improve the quality, range and funding of supplementary schools in Islington.
- **Establishment of the Funders Forum** for organisations funding small groups in Islington. The Forum acts as an information network, and helps to develop funding opportunities for smaller groups. The group meets regularly.

Islington Community Chest is now providing the Foundation with opportunities to inform its main grants programme and to address some of the issues raised in the Foundation's themed approach to funding.

Grant Making for Others: St Sepulchre (Finsbury) United Charities

This is a local charity with income in the region of £35,000 a year, which provides pensions and grants to individuals in parts of south Islington. The Trustees of St Sepulchre (Finsbury) United Charities asked the Foundation to distribute grants to individuals on their behalf from July 2007. Up to £20,000 is available for grants for people over 45 who live in the area of benefit. The Foundation visits all applicants, and issues grants payments in the name of St Sepulchre (Finsbury) United Charities. Outreach at local day centres and through social landlords such as Homes for Islington is now generating applications from older people, who have been reluctant to access the Foundation's grants in the past. This arrangement will be reviewed in 2008 to see how many additional people have received grants.

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 quite often the case that Governors or their partners are trustees of organisations to which grants are made. The Foundation has operated a policy since 1995 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.

The site on which the Foundation's offices are located is leased from St Luke's Parochial Trust for 125 years from 29th September 1995. St Luke's have the right to terminate the lease by giving 18 months notice in writing.

A grant for £15,000 was approved in 2006 for St Luke's Parochial Trust towards the cost of developing new activities in the Canonbury area during 2006 and 2007.

Structure, Governance and Management

The scheme under which the Foundation operates today was made by the Charity Commissioners in 1974, and further amended in 1998. The charity is constituted as an unincorporated institution.

The Area of Benefit includes the Parish of Cripplegate in the City of London and extends to Highbury Corner in the London Borough of Islington. A map of the enlarged area is on the back page.

The Foundation has 18 Governors. Three are appointed by the City of London Corporation, three by the London Borough of Islington and the Rector of St Giles Cripplegate is an ex officio member of the Board of Governors. All other Governors are appointed by the Board and serve for five years after which period they may put themselves forward for reappointment (see page 17 for a list of current governors and staff).

Governors keep the skills requirement of the Board under review. Governors have established a Governance and Diversity Working Party to ensure that the Board continues to offer effective leadership to the Foundation. An appointments sub committee recruits new Governors. New Governors are recruited through open advertisement after specific skill gaps have been identified. After appointment, new Governors visit the Foundation for an induction meeting with the Director and to meet the staff. All Governors receive an information pack on the work of the Foundation and the role of Governors. Induction for new Governors will be reviewed in 2008 when the Foundation recruits new Governors.

The Foundation lost three Governors in 2007. Steve Stevenson CC resigned for family reasons in November 2007. Steve was an active member of the Grants Committee and brought much local knowledge to the Foundation. In December 2007 Governors were shocked by the deaths of two of our longest serving Governors - John Broadbent and Jack Sheehan.

John first became a Governor in 1994 after he had chaired a Cripplegate Foundation conference on youth issues in Finsbury. As a retired H M Inspector of Education, John had extensive knowledge and a passion for work for young people. He actively promoted support for youth work. John was Chairman in 1999 and 2000 when the Foundation celebrated its 500th anniversary and he was especially pleased and proud of this.

Jack Sheehan became a Cripplegate Governor in 1993 and was Chairman in 1997 and 1998. Jack was a local man who had lived in the Finsbury area all his life. His knowledge of the area and the impact of our decisions on local people informed the Foundation's strategy. Jack was Chairman of the Islington Community Chest Panel, which distributes small grants throughout Islington and reaches many local people. Both men were forward thinking and 'doers' who wanted to see the Foundation's work in action and were keen to see the Foundation sharpen its focus and increase its impact. They will both be greatly missed.

Governors have decided that some aspects of their numerous governing schemes need to be consolidated and a new principal scheme put in place. Much work was done in 2006 to clarify the constitution of the Governing Body, terms of office, area of benefit, investment powers and setting up a company limited by guarantee. In February 2007 the Company Limited by guarantee was set up and all Governors are now Directors. The final scheme should be in place by April 2008.

Governors review strategy and the priorities of the Foundation at their quarterly meetings, taking into account grant making, development programmes, investments and risk management. The day-to-day administration of the Foundation is delegated to the Director.

The Foundation has two main Committees – the Grants Committee and the Finance and General Purposes Committee. The Grants Committee meets four times a year to consider all applications for grants and to review its grants programmes. It has delegated powers from the Governors to approve grants of up to £30,000 a year for up to three years. Grants for larger amounts or which are new in areas of work for the Foundation go to the Governing body, usually after an initial discussion by the Grants Committee. Grants to individuals are agreed by the Chairman or the Director weekly, who has delegated powers to agree grants of up to £1,000, although in practice grants rarely exceed £500.

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. However, the Committee keeps its asset allocation under regular review in line with its Statement of Investment Principles. This Committee also reviews the Foundation's management accounts at each meeting and deals with pension, insurance and property matters. The Audit and Compliance Committee meets with the auditors to consider the Annual Report and Accounts and reviews risk on an annual basis. In December 2006 Governors have approved a five-year financial plan for the Foundation, which provides an important planning tool for the Foundation.

In addition to the Foundation's own committees, Governors are members of the Islington Community Chest Panel, which the Foundation administers on behalf of Islington Strategic Partnership. Governors also represent the Foundation on the Canonbury Community Development Group and the South Islington Advice Project, which are Foundation initiatives in the area of benefit.

Risk management

The major risks which the Foundation faces are reviewed by the Audit and Compliance Committee. Governors believe that the Foundation's reserves provide sufficient resources to meet their objectives in the event of adverse conditions. Governors have also examined key controls over financial and operational systems and other business risks which the Foundation faces and confirm that systems are in place to mitigate the significant risks. The Foundation's risk register addresses operational risk, financial risk and reputational risk which could arise through, for example, fraud or ineffective grant making.

FINANCIAL REVIEW

Net incoming resources increased to £2,275,066 (2006: £1,959,651) representing an increase of £315,415 as a result of additional restricted voluntary funding and improved dividend growth in equities. Total investment income of £1,532,379 represents a yield of 4.76% on the year end market value.

Direct grant expenditure levels increased to £1,342,510 in 2007 (2006: £1,299,165) as income substantially increased through additional investment income and funding from Islington Strategic Partnership.

Support Costs and Governance Costs were closely monitored during the year and kept under control. Additional costs were incurred as a result of fees associated with the Foundation's property in Worship Street. Staffing costs increased as new staff were recruited during the year.

The permanent endowment fund increased in value by 2.9% to £31,534,125. There was a loss of £595,409 in the investment capital, but this was off-set by the revaluation of Worship Street to £4 million – an increase of £1,632,200.

Reserves Policy and Accumulated Income

The total value of unrestricted funds at the year end was £1,371,187. This comprises the following:

	£
Leasehold Property, fixtures & fittings (the Foundation's Offices)	405,944
Programme Related Investment	90,000
Accumulated Income Investment Portfolio	582,451
Grant Commitments Due in ensuing years	(352,081)
Net Current Assets	644,873
	<u>1,371,187</u>

Despite the high value of grant commitments due at the year end, the Foundation can normally meet these commitments from income generated during the year. The Accumulated Income Investment Portfolio acts therefore as a financial safeguard to meet unforeseen demands on cash, and is considered to be the Foundation's reserves. This increased significantly in 2007 due to increased income from investments.

The Governors' policy is to hold at least £500,000 reserves in the Accumulated Income Investment Portfolio as this represents approximately 6 months' unrestricted fund expenditure.

Investment Policy & Performance

Under the terms of the scheme, Governors may only spend the income of the Permanent Endowment fund and may not expend the capital.

The Governors' asset allocation was reviewed in late 2007 and in February 2008 and the following allocation agreed:

➤ Bonds	10-20%	benchmark	15%
➤ Cash	0-10%	benchmark	2%
➤ Property	5-15%	benchmark	10%

➤ UK Equities	40-60%	benchmark	50%
➤ Overseas Equities	15-25%	benchmark	18%
➤ Alternatives	0-10%	benchmark	5%

The investment objective is to maximise income whilst preserving the value of the capital against inflation. Using the asset allocation Governors expect to achieve a total return of between 7.5% and 8.0% over the long term. After taking into account the effects of inflation and management fees, the Governors then use the balance of the return as income. Currently this provides for an income yield of between 3.75% and 4.0%.

Newton Investment Management Ltd have been set a performance objective to outperform the total return on the asset class indices by 0.75% p.a. over a rolling three year period, whilst not under performing by more than 2% in any 12 month period. The cash objective is simply to outperform the benchmark.

Governors are disappointed to note that the capital value of the listed investments and cash held for investment has not increased in line with the benchmark, but are pleased that the income yield of 4.74% substantially outperforms the benchmark.

Socially Responsible and Ethical Investment Policy

The Foundation's ethical policy since 1997 had been to exclude ethical considerations in selecting investments and to give the investment manager a total return brief to outperform their benchmark. During the review of investment management, Governors examined their obligations to consider ethical investment. Guidance has come from two sources recently – CC14, the revised Charity Commission new guidance on investment, and the Cabinet Office Strategy Group Review of Charities ('Private Action, Public Benefit') which recommended that charities with an income of over £1 million should declare their ethical investment stance in annual reports, in line with pension fund trustees.

Case law makes it clear that Governors cannot simply impose their own moral views in devising their investment strategy and, after much discussion, Governors agreed that shareholder engagement presented the best opportunity for ensuring long-term shareholder value. The Foundation decided to follow the principles and code of conduct of the Institutional Shareholders' Committee, and monitor and engage with its investment managers to ensure they properly discharge their responsibilities on behalf of the Foundation.

During 2007 Governors started to review their socially responsible and ethical investment policy and agreed that tobacco should be excluded from the Foundation's investments. There will be a continuing review of the policy in 2008.

Exclusion of Tobacco from the Foundation's Investments

In December 2007 Governors agreed the exclusion of tobacco from the Foundation's investments for the following reasons:

The Government's White Paper 'Smoking Kills' published in 1998 identified smoking as the single most important cause of preventable illness and premature death in the UK and stated that smoking was the primary cause of cancer and heart disease, with 13% of cardiovascular disease deaths attributable to smoking. The percentage of smoking in Islington is very high at 33.5%, compared to 30.3% in Camden and 26.6% in England. The lowest prevalence for England is 15.9% in Chiltern and South Buckinghamshire and the highest is 37.5% in Hull. Islington has the lowest life expectancy for men and third lowest for women out of all London boroughs. (Islington NHS Primary Care Trust Public Health Report 2007)

For the purposes of definition this means 50% of turnover in the last financial year has been derived from tobacco related products. This maintains the current investment position and is based on the Foundation's knowledge of the area of benefit.

Pension Scheme

The Foundation is an employer within the Cripplegate Foundation Pension & Assurance Scheme. This is a multi-employer pension scheme with two other charities as participating employers. The assets of the scheme are held separately from the Foundation. The scheme was funded by contributions from the employees and employers in accordance with the recommendations of an independent qualified actuary on the basis of triennial valuations.

Under the definitions set out in Financial Reporting Standard 17 (Retirement Benefits), the Cripplegate Foundation Pension & Assurance Scheme is a multi-employer pension scheme. Under this scheme, the contribution rate required of the Foundation is set on a grouped basis, combining the experience of all three scheme employers. Within this group, assets and liabilities are not separately identified between the various employers, on a consistent and ongoing basis, as part of the triennial actuarial valuations. As a result, the Foundation has been unable to obtain information identifying its share of the underlying assets and liabilities of the scheme. These accounts have been drawn up in accordance with FRS 17 on the basis that the pension cost is accounted for as a defined contribution pension scheme. Accordingly, they have resolved that the employers will continue to be provided with annual actuarial data applicable to the scheme as a whole and placed on record as part of the annual report and financial statements of the scheme.

The latest triennial review, at 6th April 2005 was signed off by the scheme trustees in 2006. On the basis of a Minimum Funding Requirement (MFR) valuation of the scheme, the assets of the fund covered 97.3% of its liabilities (against 97.8% in 2002). The trustees instructed the actuary to assess the liabilities and assets of the fund on an ongoing basis, thus ensuring that the long term prospects and costs of the scheme could be reviewed. Using lower rates of interest than previously and taking into consideration the

recently published mortality tables, this method indicated a potential deficit of £2,000,000 in the fund, with only 63% of liabilities covered by assets. In the light of this substantial deficit, the employers reluctantly agreed to close the scheme to future accrual. The scheme was closed in August 2006 and alternative pension scheme arrangements have been put in place for all staff. Thus all past obligations will be met, but the risk should have been capped.

Auditors

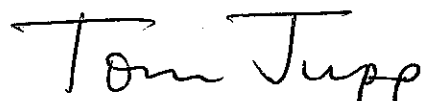
On 30 September 2007, Buzzacott, the charity's auditors transferred their entire business to Buzzacott LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Governors have consented to treating the appointment of Buzzacott as auditors as extending to Buzzacott LLP. In accordance with section 43 of the Charities Act 1993, Buzzacott LLP will be proposed for reappointment as auditors of the charity.

Plans for the Future

Cripplegate Foundation's grant giving will continue to be underpinned by a rigorous grant assessment process. This is based on visits to applicants which offer advice on management, funding, governance and development opportunities. Individuals will be offered welfare rights advice and access to wider opportunities.

In 2008 the Foundation will:

- Identify priorities from its five year plan
- Launch the findings of its evaluation on Poverty In Islington in the 21st Century which will inform its work in future years
- Extend its area of benefit to cover the whole of Islington, when its new scheme is sealed



Tom Jupp
Chairman

2 April 2008

THE GOVERNORS & STAFF OF CRIPPLEGATE FOUNDATION

CO-OPTATIVE GOVERNORS

- § Rob Abercrombie (from February 2008)
- ¶§# John Broadbent OBE (until December 2007)
- ¶ Anne – Marie Ellis (from February 2008)
- ¶# Councillor John Gilbert
- ¶ Rob Hull (from February 2008)
- ¶§* Tom Jupp OBE - Chairman
- ¶§# Paula Kahn – Vice Chairman
- ¶ Heather Lamont (Chair of the Finance and General Purposes Committee)
- § Judith Moran
- § # Jack Sheehan (until December 2007)
- § David Sulkin
- § Mark Yeadon

NOMINATIVE GOVERNORS

- ¶ Deputy Stella Currie CC Appointed by The City of London Corporation
- § Steve Stevenson CC (resigned November 2007)
- ¶* John Tomlinson CC

- §# Joseph Trotter Appointed by London Borough of Islington
- § Councillor Lucy Watt
- § Councillor Laura Willoughby MBE (resigned April 2007)

- § Barbara Riddell Appointed by City Parochial Foundation

EX-OFFICIO GOVERNOR

- Revd. Katharine Rumens The Rector of St. Giles Without Cripplegate

GRANTS COMMITTEE MEMBERS

- § Dal Babu (from February 2008)
- § Frances Carter (from February 2008)
- § Graeme Jones (from February 2008)

FINANCE COMMITTEE MEMBER

- ¶ Kate Rogers (from February 2008)

- ¶ Member of Finance & General Purposes Committee
- § Member of Grants Committee
- * Member of the Audit & Compliance Committee
- # Member of the Islington Community Chest Panel

STAFF

Kristina Glenn	Director
Ilkay Cinko–Oner	Grants Officer (to September 2007)
Deepa Craig	Finance Manager (from January 2008)
Patricia Duffaud	Finance Manager (August to December 2007)
Chris Hobbs	Grants Officer
Geraldine Rees	Senior Grants Officer
Frances Thompson	Grants Officer
Nadine Mulikusa	Administrator (from June 2007)

CONSULTANTS

Geoffrey Buckingham	Canonbury Community Development Group & South Islington Advice Project
Jim Dunk	Text: Writers in Schools Project
Tom Sterry MBE	Financial Consultant

Auditors

Buzzacott LLP
12 New Fetter Lane
London EC4A 1AG

Bankers

National Westminster Bank plc,
94 Moorgate,
London EC2M 6XT

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

Investment Managers

Newton Investment Management Ltd
Mellon Financial Centre
160 Queen Victoria Street
London EC4V 4LA

(Education Foundation only)

BlackRock Fund Managers Ltd
33 King William Street
London EC4R 9AS

Solicitors

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London EC1A 4DD

History and Background 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 a good distance to the north to include the ancient manor of Finsbury. Today, the mediaeval Church stands in the heart of the modern Barbican estate.

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 in the succeeding centuries, 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 at that time. 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. The early Governors of the Foundation built an Institute on Golden Lane, containing reading and reference libraries, news and magazine rooms, 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.

ANALYSIS OF GRANTS MADE IN 2007
Table I - Allocation of grants by categories

	2007			2006			
	Amount Awarded	% Of Total	Number Of Grants	Amount Awarded	% Of Total	Number Of Grants	Average Grant Size
Grants to Individuals:							
Discretionary	£40,168	2.9%	142	£43,627	3.3%	156	
Telephone Scheme	£4,350	0.3%	29	£4,950	0.4%	33	
St Sepulchre	£4,986	0.4%	15				
	£49,504	3.6%	186	£48,577	3.7%	189	£257
Grants to Organisations:							
Disabilities	£24,336	1.7%	1	£0	0%	0	
Work with Older People	£30,250	2.2%	2	£15,000	1.1%	1	
Work with Young People	£0	0%		£165,775	12.5%	7	
Education & Training	£54,500	3.9%	4	£75,715	5.7%	2	
Schools and Work with Schools	£83,869	6%	34	£107,301	8.1%	24	
Arts, Leisure & Environment	£87,500	6.2%	1	£5,000	0.4%	1	
Community Groups & Infrastructure	£312,995	22.2%	12	£99,549	7.5%	3	
Social Welfare & Advice	£133,000	9.5%	4	£227,730	17.3%	5	
Health & Mental Health	£45,000	3.2%	1	£95,940	7.2%	3	
	£771,450	54.9%	59	£792,010	59.8%	46	£17,218
Islington Drug and Alcohol Action Team	£5,000	0.4%	1				
N'hood Renewal Community Chest	-			£71,504	5.4	24	£2,979
N'hood Renewal Community Learning Chest	-			£32,237	2.4	11	£2,931
	-			£103,741	7.8	35	£2,964
Islington Community Chest	£507,418	36.1%	116	£379,989	28.7	86	£4,418
Neighbourhood Management	£70,000	5%	4				
	£1,403,372	100%	366	£1,324,317	100%	356	

Table II - Allocation of Cripplegate Main Programme Grants by type

	2007			2006				
	Amount Awarded	% Of Total	Number Of Grants	Average Grant Size	Amount Awarded	% Of Total	Number Of Grants	Average Grant Size
Capital Revenue	£0	0%	0		£21,500	2.7%	2	£10,750
for one year	£145,809	19%	44	£3,314	£166,491	21%	33	£5,045
for two years	£54,586	7%	3	£18,195	£160,800	20.3%	3	£53,600
for three or more years	£571,055	74%	12	£47,588	£443,219	56%	8	£55,402
	£771,450	100%	59		£792,010	100%	46	

Table III - Analysis of Cripplegate Main Programme Grants by grant size

	2007			2006				
	Amount Awarded	% Of Total	Number Of Grants	Average Grant Size	Amount Awarded	% Of Total	Number Of Grants	Average Grant Size
Grants £50,000 and over	£257,000	33%	4	£64,250	£469,354	59.3%	7	£67,051
Grants between £10,000 & £49,999	£411,641	53%	14	£29,403	£225,380	28.4%	9	£25,042
Grants between £1,000 & £9,999	£100,348	13%	34	£2,951	£95,226	12%	27	£3,527
Grants under £1,000	£2,461	1%	7	£352	£2,050	0.3%	3	£683
	£771,450	100%	59		£792,010	100%	46	

Table IV - Allocation of Cripplegate Main Programme Grants by people

People	2007			Average Grant Size
	Amount Awarded	% Of Total	Number Of Grants	
BME Communities	£73,025	9%	3	£24,342
Young People	£112,205	15%	36	£3,117
Older People	£150,325	19%	5	£30,065
Women	£3,000	1%	1	£3,000
Mental Health	£45,000	6%	1	£45,000
Unclassified (open to whole community)	£387,895	50%	13	£29,838
	£771,450	100%	59	

Table V - Allocation of Cripplegate Main Programme Grants by theme

	2007			Average Grant Size
	Amount Awarded	% Of Total	Number Of Grants	
Social Cohesion	£472,831	61%	17	£27,814
Reducing Poverty	£85,000	11%	2	£42,500
Accessing Opportunities	£213,619	28%	40	£5,340
	£771,450	100%	59	

Table VI - Allocation of Cripplegate Main Programme Grants by place

Location of Office	2007			Average Grant Size
	Amount Awarded	% Of Total	Number Of Grants	
Barnsbury	£2,650	1%	1	£2,650
Bunhill	£17,262	2%	5	£3,452
Caledonian	£15,695	2%	5	£3,139
Clerkenwell	£6,750	1%	2	£3,375
St Mary's	£15,786	2%	10	£1,579
St Peters	£13,976	2%	10	£1,398
South Islington	£103,730	13%	3	£34,577
Borough Wide	£424,436	55%	16	£26,527
London	£171,165	22%	7	£24,452
	£771,450	100%	59	

Note: All money is used in relation to the area of benefit.

GRANTS APPROVED IN 2007

AMOUNT
OF GRANT
£

CRIPPLEGATE FOUNDATION
MAIN GRANT PROGRAMME

**INCREASING ACCESS TO OPPORTUNITIES AND MAKING
CONNECTIONS**

WORK WITH OLDER PEOPLE

Wesley's Chapel & Leysian Centre	
towards a Christmas Day event for older people in south Islington	250
Latin American Elderly Group	
Towards workshops and running costs of the organisation	30,000

EDUCATION AND TRAINING

Angel Community Canal Boat Trust	
towards costs of a development officer	13,000
Barbican Education	
towards the cost of film project "Urban Stories" working with two local youth projects	4,000
St Mungo's Association	
Towards life skills and rehabilitation activities for homeless clients living in Barnsbury Road accommodation	17,500

ARTS LEISURE & ENVIRONMENT

London Symphony Orchestra	
towards costs of the Community Projects Manager salary and St Luke's Youth Choir (over three years)	65,000

SCHOOLS AND WORK WITH SCHOOLS

Blessed Sacrament R.C. Primary School	
towards the cost of a school journey in Feb 07 to Osmington Bay, Devon	280
Canonbury Primary School	
towards the cost of a school journey to Tewkesbury in June 07	600
towards a project with the Blue Pepper Band	1,000
towards a project with Writers in Schools	3,000
towards a drama project with Shape	1,151
towards a school journey to Cornwall	1,600
Clerkenwell Parochial School	
towards the cost of a puppet power project	2,588
towards the cost of an artist in residence	4,162
Elizabeth Garrett Anderson School	

towards the cost of a Somali parent's textiles class over two terms	9,000
Hanover Primary School	
towards the cost of a puppet power project	2,588
towards the cost of a trip to Suffolk	1,100
towards the costs of a local history study week and display	1,000
towards a music project with the Blue Pepper Band	1,000
towards a ballroom dancing project for pupils	1,000
towards an athletics project	1,000
Laycock Primary School	
towards the cost of a school journey	300
towards a behaviour management programme	1,350
Moreland Primary School	
towards the cost developing a piece of mosaic artwork with reception and Year 1 students	2,500
New North Community School	
Towards the cost of a school journey to West Sussex	1,000
Prior Weston Primary School	
towards the cost of running a puppet power project	2,588
towards the cost of the school home liaison worker	4,612
St John Evangelist RC Primary School	
towards the cost of a puppet power project	2,588
towards the cost of a global citizenship project in Summer 2007	1,700
towards the cost of a TEXT writers in schools project	1,000
St Lukes School	
towards the cost of a Turkish community worker in the EC1 area	2,962
St Mary's Church of England Primary School	
Towards the cost of a puppet power project	341
St Lukes Primary School	
towards the cost of a school home support worker	4,600
Theatre Adad	
towards the cost of a tour of Islington schools for drugs education, domestic violence and transition	9,165
Vittoria Primary School	
towards the costs of a school journey	2,650
William Tyndale Primary School	
towards the costs of a school journey to Court Farm, Wey Valley	1,700
towards the cost of a writers in schools project	3,000
towards a school journey	1,744
Winton Primary School	
towards the costs of an artist in residence programme	6,000
towards a writers in schools residency	3,000

SOCIAL COHESION

ARTS LEISURE & ENVIRONMENT

Culpeper Community Garden

towards salary costs of 2 garden workers 22,500

COMMUNITY GROUPS & INFRASTRUCTURE

Finsbury & Clerkenwell Volunteers

Towards the running costs of the organisation, including transport, lunch club, volunteer insurance, office costs (over three years) 43,480

The Claremont Project

towards core, capital and music and dance events costs (over three years) 43,075

Islington Age Concern

Towards core and general running costs over 3 years 72,000

Islington Bangladesh Association

towards the salary costs of a manager over 3 years 60,000

Islington Pensioners Forum

towards running costs 5,000

Islington Voluntary Action Council

towards core salary and running costs 10,000

The Peel Institute Company

towards core costs (over three years) 60,000

Somali Education Centre

Towards the cost of an advertisement for the post of Development Worker in the local Somali press 275

Somali Forum

towards the cost of capacity/support over 2 years 12,750

Thornhill Neighbourhood Project

Two grants towards the cost of management support for the project 6,415

Transcend

towards core costs (over three years) 24,336

EDUCATION AND TRAINING

Islington Voluntary Action Council

towards the cost of a capacity building training programme in 2007/8 20,000

SOCIAL WELFARE & ADVICE

Home-Start Islington

Towards the cost of a full-time co-ordinator for South Islington (over three years) 45,000

Rights of Women

towards distribution costs of legal advice/support publications for women 3,000

HEALTH & MENTAL HEALTH**The Maya Centre**

towards the cost of providing counselling to women with mental health problems (over three years)	45,000
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REDUCING POVERTY**SOCIAL WELFARE & ADVICE****Islington Law Centre**

towards the cost of legal and welfare rights services in the Canonbury area (over three years)	42,500
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Mary Ward Legal Centre

towards the cost of legal and welfare rights services in the Canonbury area (over three years)	42,500
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TOTAL FOR GRANTS TO ORGANISATIONS	£771,450
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GRANTS FOR INDIVIDUALS	£44,518
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TOTAL FOR MAIN GRANTS PROGRAMME	£815,968
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GRANT PROGRAMMES ADMINISTERED FOR OTHERS**ST SEPULCHRE**

(Funded by St Sepulchre (Finsbury) United Charities from July 2007)

TOTAL FOR GRANTS TO INDIVIDUALS OVER 45, LIVING IN FINSBURY	£4,986
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ISLINGTON DRUG AND ALCOHOL ACTION TEAM

Grant paid to Islington Voluntary Action Council	£5,000
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NEIGHBOURHOOD MANAGEMENT

(Funded by Neighbourhood Renewal Funds: Islington Strategic Partnership from March 2007 onwards)

Islington Law Centre

towards the cost of legal and welfare rights services in the Canonbury area	20,000
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Mary Ward Legal Centre

towards the cost of legal and welfare rights services in the Canonbury area	20,000
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St Stephens Youth Club	12,600
towards additional youth activities	
Rosebowl Youth Club	
towards additional youth activities	17,400
TOTAL FOR NEIGHBOURHOOD MANAGEMENT GRANTS	£70,000

ISLINGTON COMMUNITY CHEST

(Funded by Neighbourhood Renewal Funds: Islington Strategic Partnership)

GRANTS AWARDED UNDER £5,000

Community Support

15 grants (total £36,140) comprising:

Cyrus House Tenants and Residents Association	
towards the cost of events and environmental improvements	2,650
Elthorne Regeneration	
towards newsletter costs	1,000
Family Resolution Ltd	
Towards the cost of parenting classes	3,500
The Grove Tenants and Residents Association	
towards computer and equipment costs	2,000
Hawthorne Close Tenants & Residents Association	
Towards the cost of a newsletter and activities	800
Home-Start Islington	
Towards the costs of volunteer training and expenses	5,000
Iranian & Kurdish Women's Rights Project	
towards the cost of a computer, training and volunteer costs	4,920
Islington Parents in Action	
towards the cost of community seminars	2,520
The Kings Cross Railway Lands Group	
towards outreach and running costs	5,000
St Paul's Shrubbery Festival	
towards the costs of a family fun day/festival	1,870
Rotherfield Friends Association	
towards the cost of room hire and equipment cost for activities	500
Six Acres Tenants & Residents Association	
Towards the cost of a community day	2,250
St Mary's Path Estate Tenant Association	
towards the costs of producing a newsletter and running costs	830
The Upper Street Time Bank	
towards salary cost of a part-time Time Bank broker	2,500
Western Isles Tenants and Residents Association	
towards computer costs	800

Community Support/Advice

6 grants (total £22,550) comprising:

CARIS (Islington)

Towards running and rental costs in 2008 5,000

Community Advice and Support Scheme

towards volunteer expenses, room hire, training 3,890

Community Language Support Services

towards the costs of volunteers and running costs 5,000

Diamond Life

Towards costs of running workshops and social club 2,380

Federation of Iraqi Refugees

towards running costs and workshops 3,000

Kings Cross Asian Women's Project

towards running costs 3,280

Community Support/Disability

5 grants (total £20,689) comprising

Basz Productions

Towards running accessible, inclusive music events for disabled and non disabled people 4,990

Islington Deaf Campaign

towards running costs 3,840

Kurdish Disability Organisation

Towards running and volunteer costs (paid 2008) 5,000

South Islington Stroke club

towards running costs 2,859

Talking News Islington

towards the costs a "talking news" project 4,000

Community Support/Homelessness

2 grants (total £8,500) comprising

The Pillion Trust

towards salary costs of a part-time office worker 5,000

The Sunday Club

towards running costs 3,500

Community Support/Older people

2 grants (total £10,000) comprising

Caribbean Pensioners & Friends

towards transport costs 5,000

Islington Pensioners Forum

towards salary costs of a part-time office worker 5,000

Arts/Recreation

22 grants (total £80,694) comprising:

Access to Art

Towards the cost of art trips for disabled, older people 3,452

Angel Canal Festival

Towards costs for festival 4,000

Angel Community Canal Boat Trust

towards running costs for the community boat 5,000

Angel Shed Theatre Company

towards running costs of the theatre activities for young people 5,000

Art and Clay

towards running and volunteer costs 5,000

Artescape

towards art workshops for children aged 6-11 years 3,500

Arts World

Towards cost of inter-generational cultural arts and music training programme 3,530

Better Archway Forum

Towards the cost of a community arts project and newsletter 3,670

Boston & Nailour Street Tenants and Residents Association

Towards dancing classes costs 800

Canonbury Grove Residents Association

Towards cost of a street party 500

Connectingvibes

towards cost of theatre performance for young people 3,000

Fragments & Monuments

Towards cost of theatre/media festival on Newington Green 2,500

Friends of Edward Square

Towards costs of creative arts/dance workshops 2,800

Friends of Paradise Park

Towards the cost of children's play equipment 4,460

Friends of Whittington Park

Towards costs of an arts festival in July 2007 5,000

Islington Boys' Club

Towards costs of football league fees and equipment costs 4,500

Proud Heritage

Towards cost of an arts and heritage project to celebrate London's lesbian, gay, bisexual and trans history 5,000

Refugee Arts Project

Towards the costs of music & parenting workshops 4,800

Refugee Parents Project

Towards the costs of folk dance activities for parents and children 2,000

St Luke's Community History group

towards running costs 4,182

The Rowan Arts Project	
towards salary costs for a part-time producer for the Holloway Arts Festival	3,000
Towards salary and running costs	5,000
<u>Arts/Recreation/Older people</u>	
3 grants (total £7,460) comprising:	
Friends of New Park	
Towards equipment and festival costs	2,460
Mayville Over 50s Group	
Towards running costs	1,000
Music for People	
Towards the costs of music concerts for older people	4,000
<u>Arts/Recreation/Young people</u>	
4 grants (total £17,260) comprising:	
Groove Your Arts	
Towards rental costs	2,500
Highbury Children's Art Club	
Towards the cost of workshops	5,000
Inner City Films	
towards the costs an art project for young people	5,000
Pro touch Soccer Academy	
Towards football coaching programme for young people	4,760
<u>Arts/Recreation/Disability</u>	
1 grant (total £2,500) comprising:	
Keen London	
Towards cost of weekly sports sessions for children with physical and learning disabilities	2,500
<u>Health</u>	
6 grants (total £26,760) comprising:	
African Swahiliphone Community Project	
Towards cost of health programme and activities	4,850
Islington Borough User Group	
towards cost of newsletter for mental health users	3,000
Organisation of HIV Positive African Men	
towards peer support groups and publicity costs	5,000
Pamodzi	
Towards cost of HIV/AIDS and sexual health awareness training and volunteer expenses for 2007-2008	3,980
Prosperity Outreach Services	
Towards cost of running over 50's exercise and healthy eating cookery project	4,930

Scary Little Girls Productions
Towards the cost of healthy eating workshops 5,000

Education

1 grant (total £4,568) comprising:

Tam Tam Tales Trust
Towards cost of story-telling workshops for parents and children 4,568

Education/Youth

22 grants (total £90,675) comprising:

1st South Islington Brownies
towards equipment costs 240

Barnsbury Estate Community Association
Towards the cost of developing youth activity programme 5,000

Bumpers Playscheme
Towards running costs for Summer 2007 5,000

Cilgwyn Theatre Company CIC
towards the cost of theatre residencies in schools 5,000

Exmouth Market Centre
towards the cost of the Early Years Project 5,000

Greek & Cypriot Cultural Community & Youth Centre
Towards web design courses for 11-16 year olds 3,635

Hyde Village Community & Social Association
towards running costs of a youth forum 3,290

Islington/Stoke Newington Sea Cadets
towards the cost of electrical works and new boiler 5,000

Ivy Entertainment Limited
towards cost of performing arts programme for young people 2,000

London Asian African & Caribbean Centre
Towards costs of employment skills project for young people 2,500

Martin Luther King Adventure Playground Association
Towards costs for an arts & crafts club 4,760

Metaplay Ltd
Towards the costs of theatre project in schools 4,800

Ringcross Tenants and Residents Association
Towards the cost of a holiday activity programme for young people 4,000

Somali Education Centre
Towards cost of supplementary school classes for Somali children 5,000

Sparkplug
Towards running costs of the youth club 4,890

St Johns Youth Centre
Towards cost of opening youth centre one evening per week during 2007-2008 5,000

St Mary's Youth Club
Towards the cost of a homework club 3,500

Street Life Drama and Film	2,440
towards media training project for women	
Times Amateur Boxing Club	
Towards the cost of football league entry fees and running costs	5,000
Triple M	
Towards cost of hall hire, volunteer and tutors	5,000
The Turkish and Kurdish Children's Group	
Towards costs of dance, art, drama and music activities for children	5,000
Volunteer Reading Help	
Towards cost of volunteer training and support costs	4,620
<u>Education/Training</u>	
3 grants (total £11,455) comprising:	
Art for Little Fingers	
towards running costs and equipment/trip costs	2,580
Back to Basics Training Somali Refugees	
Towards the costs of sewing classes and a printing project for women	4,985
Packington Square Tenants & Residents Association	
Towards cost of ESOL classes for Bangladeshi women on the estate	3,890
<u>Education/Supplementary Schools</u>	
4 grants (total £20,000) comprising:	
Bangla Education & Cultural Centre	
towards the costs of supplementary school classes	5,000
Islington Somali Women & Children Action Group	
Towards running costs of mother tongue and supplementary school	5,000
Kurdish Children and Youth Centre	
towards running and salary costs and music workshop	5,000
Light Project International	
towards running costs of the supplementary school	5,000
<u>Education/Under Fives</u>	
5 grants (total £17,750) comprising:	
Hanover Playschool	
Towards expansion of the play school services and running costs	5,000
Music Box	
Towards cost of music and training workshops for children, parents and carers	4,900
Rainbow Toddler's Group	
towards running costs in 2008	5,000
Relax Stay and Play Group	
Towards rental hall hire and playworkers salary costs	570
Relax Stay and Play Group	
Towards rental and salary costs	2,280

Environment

2 grants (total £10,000) comprising:

Mersey Estate Tenants Association

Towards the cost of updating and replacing equipment in the children's play area 5,000

Sunnyside Community Gardens

Towards salary costs of the project manager post 5,000

TOTAL FOR GRANTS AWARDED UNDER £5,000 £387,001**GRANTS AWARDED OVER £5,000****Art/Recreation**

2 grants (total £18,000) comprising:

Inner City Films

towards costs of an online resource, office and running costs 10,000

The Other Side Gallery

Towards salary cost of a part-time Project Manager 8,000

Community Support /Homelessness

1 grant (total £10,000) comprising:

The Manna, St. Stephen's Church

towards the cost of classes and activities for users 10,000

Environment

6 grants (total £56,185) comprising:

Brecknock Road Tenants and Residents Association

Towards cost of environmental improvements and repairs on estate 6,290

Culpeper community Garden

Towards costs of a mental health outreach project 10,000

Friends of King Henry's Walk Garden

Towards cost of running horticultural, gardening and wildlife 9,955

Highbury Builders Collective

Towards cost of setting up a course on public urban food production skills and sustainable techniques 9,940

New Orleans Walk Estate Tenants & Residents Association

Towards the cost of environmental improvements on the estate 10,000

Olden Garden Community Project

Towards environmental improvements and gardening equipment 10,000

Health

2 grants (total £16,232) comprising:

The Stuart Low Trust

towards the cost of a programme of classes and complementary therapies 8,027

Fit Women Group

towards the costs of fitness classes and healthy eating workshops 8,205

Education/Young People

1 grant (total £10,000) comprising:

St Stephen's Youth Project

Towards salary costs 10,000

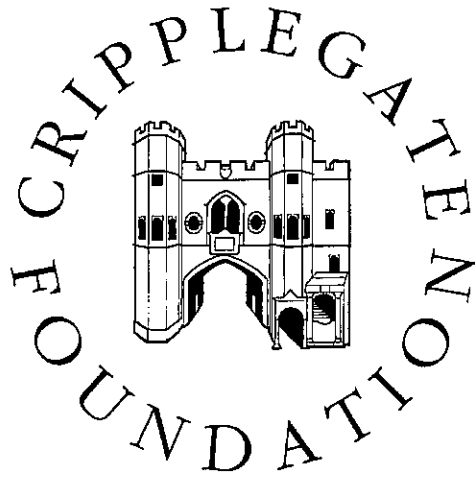
Education/Training

1 grant (total £10,000) comprising:

Market Playgroup

Towards costs for parenting, healthy eating and exercise classes for parents 10,000

TOTAL FOR GRANTS AWARDED OVER £5,000 £120,417**TOTAL GRANTS AWARDED FOR ISLINGTON
COMMUNITY CHEST £507,418****TOTAL FOR GRANT PROGRAMMES ADMINISTERED FOR
OTHERS £587,404****GRAND TOTAL OF GRANTS APPROVED IN THE YEAR £1,403,372**



FINANCIAL STATEMENTS

for the year ended
31ST DECEMBER 2007

CRIPPLEGATE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st December 2007

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2007 Funds £	2006 Funds £
Incoming resources						
Incoming Resources from Generated Funds						
	2					
Voluntary Income		11,621	731,066	-	742,687	584,181
Investment Income		1,531,319	1,060	-	1,532,379	1,375,470
Total incoming resources		<u>1,542,940</u>	<u>732,126</u>	<u>-</u>	<u>2,275,066</u>	<u>1,959,651</u>
Resources Expended						
Cost of Generating Funds						
Investment Management Costs	3	55,335	-	130,830	186,165	157,009
Charitable Activities						
	4					
Grantmaking to Organisations		936,604	695,107	-	1,631,711	1,538,956
Grantmaking to Individuals		76,995	4,986	-	81,981	96,669
Governance Costs	5	76,725	-	17,871	94,596	64,523
Total resources expended		<u>1,145,659</u>	<u>700,093</u>	<u>148,701</u>	<u>1,994,453</u>	<u>1,857,157</u>
Net incoming/outgoing resources before other recognised gains and losses		397,281	32,033	(148,701)	280,613	102,494
Other Recognised Gains and Losses						
Gains on the revaluation and disposal of investments	10	16,909	(327)	1,036,791	1,053,373	1,914,261
Net movement in funds	14	414,190	31,706	888,090	1,333,986	2,016,755
Reconciliation of Funds						
Total funds brought forward at 1 st January 2007		<u>956,997</u>	<u>15,997</u>	<u>30,648,092</u>	<u>31,621,086</u>	<u>29,604,331</u>
Total funds carried forward at 31 st December 2007		<u>1,371,187</u>	<u>47,703</u>	<u>31,536,182</u>	<u>32,955,072</u>	<u>31,621,086</u>

CRIPPLEGATE FOUNDATION
BALANCE SHEET
As at 31st DECEMBER 2007

	Notes	31/12/2007 £	31/12/2006 £
Fixed Assets			
Tangible assets	8	405,944	410,900
Investments	10	<u>32,212,903</u>	<u>31,295,735</u>
		32,618,847	31,706,635
Current assets			
Debtors	11	210,951	194,453
Cash at bank and in hand		<u>1,141,023</u>	<u>672,423</u>
		1,351,974	866,876
Liabilities			
Creditors: amounts falling due within one year	12	<u>663,668</u>	<u>687,991</u>
Net Current Assets/(liabilities)		<u>688,306</u>	<u>178,885</u>
Total assets less current liabilities		<u>33,307,153</u>	<u>31,885,520</u>
Creditors: amounts falling due after more than one year	12	352,081	264,434
Net assets		<u><u>32,955,072</u></u>	<u><u>31,621,086</u></u>
Represented by			
Funds and reserves			
Endowment fund		31,536,182	30,648,092
Restricted Income funds		47,703	15,997
Unrestricted Income funds		<u>1,371,187</u>	<u>956,997</u>
		<u><u>32,955,072</u></u>	<u><u>31,621,086</u></u>

approved by the Governors on 2 April 2008 and signed on their behalf by

Tom Tupp

Governor

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and investment properties which are included on a market value basis. The accounts have been prepared in accordance with applicable accounting standards, the Charities SORP 2005 (Accounting & Reporting by Charities) and comply with the Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 1993.

b) Funds Structure

The Foundation holds the following types of funds:

Unrestricted funds: These are available for use at the discretion of the Governors 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 and by the Charity Commission at the time of the establishment of the Foundation. The purpose and use of restricted funds is set out in the notes to the financial statements.

c) Incoming Resources

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

d) Resources expended

Liabilities are recognised as resources expended 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. All grants are non-conditional.

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 buildings:	over 75 years
Furniture, fixtures and fittings	over 10 years
Office equipment	over 5 years
Computer equipment	over 3 years

f) Investments

Fixed asset investments

Investments, including investment properties, are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. In the opinion of the Governors, 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 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. Overhead and support costs relating to Charitable Activities have been apportioned based on the number of individual grant awards made in recognition that the administrative burden of awarding, monitoring and assessing grants to organisations and grants to individuals are broadly equivalent. The allocation of overhead and support costs is analysed in note 6.

h) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

2 Incoming Resources From Generated Funds

	Unrestricted Funds £	Restricted Funds £	2007 Funds £	2006 Funds £
<u>Voluntary Income</u>				
Govt. Office for London Neighbourhood Renewal Funds				
Grants Funding	-	600,000	600,000	563,281
Canonbury Grants	-	123,000	123,000	-
St Sepulchre	1,500	3,066	4,566	-
Finsbury Education Foundation	3,000		3,000	
Other Donations	7,121	5,000	12,121	20,900
	<u>11,621</u>	<u>731,066</u>	<u>742,687</u>	<u>584,181</u>
<u>Investment Income</u>				
Property rent - 87/89 Worship Street	160,677	-	160,677	161,154
Equities	866,280	1,060	867,340	841,654
Fixed Interest	189,662	-	189,662	143,777
Property Unit Trusts	191,378	-	191,378	188,604
Cash held for investment purposes	123,322	-	123,322	40,281
	<u>1,531,319</u>	<u>1,060</u>	<u>1,532,379</u>	<u>1,375,470</u>
Total	<u><u>1,542,940</u></u>	<u><u>732,126</u></u>	<u><u>2,275,066</u></u>	<u><u>1,959,651</u></u>

3 Resources Expended - Costs Of Generating Funds

	Unrestricted Funds £	Endowment Funds £	2007 Funds £	2006 Funds £
Portfolio Management	3,960	130,830	134,790	129,442
Rent collection, property repairs and maintenance charges	51,375	-	51,375	27,567
	<u>55,335</u>	<u>130,830</u>	<u>186,165</u>	<u>157,009</u>

4 Resources Expended – Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2007 Funds £	2006 Funds £
Grantmaking to Organisations				
Cripplegate main grants/Cripplegate Education Foundation	763,216	8,234	771,450	792,010
Islington Drug and Alcohol Action Team	-	5,000	5,000	-
Neighbourhood Renewal Community Chest	-	-	-	71,504
Neighbourhood Renewal Community Learning Chest	-	-	-	32,237
Islington Community Chest	-	507,418	507,418	379,989
Canonbury Grants	-	70,000	70,000	-
Grants written back	(58,670)	-	(58,670)	(25,152)
Publicity and Consultation	8,435	14,121	22,556	25,739
Support costs	223,623	90,334	313,957	262,629
Total	<u>936,604</u>	<u>695,107</u>	<u>1,631,711</u>	<u>1,538,956</u>
Grantmaking to Individuals				
Cripplegate main grants	44,518	4,986	49,504	48,577
Grants written back	(2,192)	-	(2,192)	-
Support costs	34,669	-	34,669	48,092
Total	<u>76,995</u>	<u>4,986</u>	<u>81,981</u>	<u>96,669</u>

5 Resources Expended – Governance Costs

	Unrestricted Funds £	Endowment Funds £	2007 Funds £	2006 Funds £
Auditors' Remuneration				
for audit: current year	11,000	-	11,000	10,989
for audit: prior year	1,838	-	1,838	-
for other work	7,525	-	7,525	-
Legal Advice	19,825	17,871	37,696	1,458
Support costs	36,537	-	36,537	52,076
Total	<u>76,725</u>	<u>17,871</u>	<u>94,596</u>	<u>64,523</u>

6 Resources Expended – Allocation of Support Costs

	Grantmaking to Organisations £	Grantmaking to Individuals £	Governance £	2007 Funds £	2006 Funds £
Staff	205,409	31,180	26,478	263,067	225,028
Property and Administration	108,548	3,489	10,059	122,096	122,669
Total	313,957	34,669	36,537	385,163	347,697

7 Resources Expended – Staff Costs

	Total 2007 £	Total 2006 £
Staff costs during the year were as follows:		
Wages and salaries	167,194	171,557
Social security costs	17,659	16,576
Other pension costs	78,214	36,895
	263,067	225,028

The average number of employees analysed by function was:

	Total 2007	Total 2006
Charitable Activities - Grantmaking to Organisations	4	3
Charitable Activities - Grantmaking to Individuals	1	1
Governance	1	1
	6	5

No employees of the Foundation earned in excess of £60,000 during the year.

8 Tangible Fixed Assets

	Leasehold Property £	Fixtures, fittings and equipment £	Total £
Asset cost, valuation or revalued amount			
Balance brought forward	486,531	154,797	641,328
Additions	-	2,844	2,844
Balance carried forward	486,531	157,641	644,172
Accumulated Depreciation			
Balance brought forward	77,191	153,237	230,428
Charge for the year	6,487	1,313	7,800
Balance carried forward	83,678	154,550	238,228
Net book value			
Brought forward at 31 December 2006	409,340	1,560	410,900
Brought forward at 31 December 2007	402,853	3,091	405,944

9 Inalienable Tangible Fixed Assets

i. The Foundation owns boardroom furniture and works of art dating from the 19th century. No value is attributed to these assets since the Governors do not believe they have a material value.

ii. 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 which had been presented to it by the Inquest of Cripplegate Without in 1865. The Governors of the Foundation agreed to take "this curious collection of silver" and to be Trustees for it. The Foundation has looked after the plate since that time, and it is now on public display. The Governors have also taken out insurance cover. It is the Governors' 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.

10 Investment Assets

	Unrestricted Fund £	Restricted Fund £	Endowment Fund £	Total 2007 £	Total 2006 £
Analysis of Movement of Investments					
Opening Market Value 01/01/2007	655,522	6,654	29,444,438	30,106,614	26,003,184
Additions at cost	-	-	5,047,566	5,047,566	6,726,214
Disposals at carrying value	-	-	(6,270,019)	(6,270,019)	(4,537,045)
Gain/(loss) on revaluation	16,909	(327)	1,036,791	1,053,373	1,914,261
Carrying Value at end of year	672,431	6,327	29,258,776	29,937,534	30,106,614
Cash held for investments	20	-	2,275,349	2,275,369	1,189,121
Total Investments	672,451	6,327	31,534,125	32,212,903	31,295,735

Analysis of Investments by class	Unrestricted Fund £	Restricted Fund £	Endowment Fund £	Total 2007 £	Total 2006 £
<u>Investment Property</u>					
87/89 Worship Street, London EC2	-	-	4,000,000	4,000,000	2,367,800
<u>Programme Related Investments</u>					
167 Whitecross Street ('The Drum')	-	-	35,000	35,000	35,000
Clerkenwell Medical Mission/City Roads	90,000	-	-	90,000	90,000
<u>Investments held on recognised stockmarkets</u>					
Equities UK	582,431	-	13,736,878	14,319,309	14,196,746
Equities Overseas	-	-	5,345,170	5,345,170	5,021,458
Fixed Interest UK	-	6,327	3,052,956	3,059,283	3,181,178
Fixed Interest Overseas	-	-	518,302	518,302	530,593
Property Unit Trusts	-	-	2,570,470	2,570,470	4,683,841
<u>Cash held for investment purposes</u>					
Newtons Sterling Liquidity Fund	-	-	-	-	915,000
Other	20	-	2,275,349	2,275,369	274,119
Total	672,451	6,327	31,534,125	32,212,903	31,295,735

The open market value of the Worship Street property was assessed to be £4 million in December 2007 by Savills, Chartered Surveyors.

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 grantmaking to organisations 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. This property was revalued in the accounts based on the valuation at 31st December 2003 by Strettons Chartered Surveyors.

As part of its grantmaking activities, the Foundation made two loans totalling £65,000 to City Roads (Crisis Intervention) in 1981 and 1984 and one of £25,000 to the Clerkenwell Medical Mission in 1982 to assist them in purchasing properties for their charitable purposes. The Foundation's interest is registered on their title deeds. The loans have to be repaid if the properties are sold.

11 Debtors

Amounts receivable within one year	2007 £	2006 £
Prepayments & Accrued Income	112,663	101,062
Trade Debtors	32,668	44,677
Other Debtors	65,620	48,714
	<u>210,951</u>	<u>194,453</u>

12 Creditors

	2007	2006
	£	£
Amounts falling due within one year		
Grants committed, not paid	534,353	590,184
Other Creditors	35,128	31,774
Accruals and Deferred Income	94,187	66,033
	<u>663,668</u>	<u>687,991</u>
	2007	2006
	£	£
Amounts falling due after more than one year		
Grants committed, not paid	<u>352,081</u>	<u>264,434</u>

13 Staff Pension Commitments

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.

The trustees of the scheme have considered the implications of FRS 17 and the requirement to provide an annual breakdown of the assets and liabilities of the employers contributing to the scheme, for inclusion in their own year-end financial statements. There are three such employers contributing to scheme, each with differing types of employees, terms and conditions of service, and salary scales. Having consulted with the actuary, the trustees have concluded that it is not possible to apportion the assets of the scheme to individual employers on an equitable basis and that, as in the past, the assets and liabilities of the scheme will not be sub-divided.

The most recent MFR valuation of the scheme was held in April 2005 and this indicated that the assets of the fund covered 97.3% of its liabilities. However, to ensure that funding achieved 100% within the period prescribed in the Pensions Act 2004, the actuary recommended that the employers' contribution increase to 40.2% with effect from 1 April 2006.

Based on the results of this valuation the Participating Employers decided in March 2006 to close the Scheme to new members and to cease accrual for existing members. The effective date for both events was 31 August 2006. The accrued pensions of existing members are now treated as deferred until their normal retirement date, or earlier if qualified under the scheme rules. The fund will continue to be administered and valued on a triennial basis. The governance of the scheme will be reviewed with the aim of ensuring the number of trustees reflects its changed status.

As at the date of closure, the actuary calculated the deficit of the fund as £2,189,982. The Governors of the Cripplegate Foundation made a request to the trustees to pay their share of this deficit at the rate of £60,400 per annum over a period not exceeding 20 years, starting on 1 September 2006. The payment includes an element for the on-going administration of the scheme. The other two employers made similar requests at annual rate of £82,900 and £130,200 respectively.

The trustees agreed to the requests, with the proviso that should the deficit reduce following a future triennial valuation, the level of annual payment will not change. The Participating Employers agreed and deficit payments started on 1 September 2006. During the year under review, the Foundation made the agreed payment of £60,400.

With effect from 1 September 2006 the Foundation introduced a Legal & General Group Stakeholder pension scheme for staff. Provided the employee contribution is 5% or more, the employer makes a contribution of 10% of annual pay (employee before 1st September 2007 12%). Employer contributions for 2007 were £17,814 (2006: £36,895). At the balance sheet date, contributions totalling £2,524 were included in creditors.

14 Funds Analysis - Movement of Funds

	Fund b/fwd at 01/01/07 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Fund c/fwd at 31/12/07 £
<u>Permanent Endowment</u>	30,648,092	-	(148,701)	1,036,791	31,536,182
<u>Restricted Funds</u>					
London Borough of Islington – formerly Government Office for London	78	600,000	(587,418)		12,660
Cripplegate Education Foundation	8,561	-	(8,234)	(327)	-
Eleemosynary Branch	7,358	-	-		7,358
Canonbury and Southern Housing Foundation	-	123,000	(94,455)		28,545
St Sepulchre	-	3,066	(4,986)		(1,920)
Other	-	6,060	(5,000)		1,060
<u>Unrestricted Funds</u>					
Accumulated Income Funds	956,997	1,542,940	(1,145,659)	16,909	1,371,187
Total Funds	31,621,086	2,275,066	(1,994,453)	1,053,373	32,955,072

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

- In 2006/07 and 2007/08 Islington Strategic Partnership awarded the Foundation the contract for administering Islington Community Chest for the whole of Islington. The funds received (£600,000) are for grants to small groups across the whole of Islington and include a contribution to administrative costs.
- The Cripplegate Education Foundation is a separate charity whose Trustees are the Governors for the time being of Cripplegate Foundation. The Foundation may only pay grants in the City of London for educational purposes to people under 25 years of age. The Athletic Prize is a small fund within that fund. In 2007 it was agreed that the Foundation should spend the endowment and in 2008 the Charity Commission agreed to merge this fund into the main scheme.
- The Eleemosynary Branch was established by order of the Charity Commission in the days when the main activity of the Foundation was running the Cripplegate Institute. The Eleemosynary Branch was to ensure that some of the Foundation's funds continued to be used for relief in need and the payment of pensions. £700 has to be set aside each year for this purpose, and pensions paid of no more than £39 p.a. each year. The last remaining Eleemosynary Pensioner died in 2004. The Governors have been granted permission from the Charity Commission in March 2008 to combine this fund with the Permanent Endowment.

4. Cripplegate has received funds from Islington Strategic Partnership to develop the Neighbourhood Management project in Canonbury, Islington. In March 2007, the Foundation was awarded £60,000 towards administrative costs and grants made between March 2006 to March 2007. Later in 2007, Cripplegate was awarded a further £70,000 for the year beginning March 2007 to March 2008 – hence £15,000 of these funds has been allocated to the first quarter of 2008.
In addition, Southern Housing Foundation awarded Cripplegate £8,000 to produce a ‘Guide to Services’ for the Essex Road area.
5. St Sepulchre provides grants to individuals who are over the age of 45 and live in the old London Borough of Finsbury. The grants are approved by St Sepulchre. At the year end, the funds were in deficit as the grants are paid by the Foundation and then the Foundation is re-imbursed by St Sepulchre (Finsbury) United Charities.
6. £10,000 was received from Islington Drug and Alcohol Action Team specifically to be paid to Islington Voluntary Action Council. £5,000 of this fund was paid in 2007, and £5,000 will be paid to Islington Voluntary Action Council in 2008.

Unrestricted Fund

The Accumulated Income Fund is the accumulation of the differences between income and expenditure over the years, and is wholly available for charitable purposes.

15 Funds Analysis - by Net Assets

	Investment Assets £	Tangible Fixed Assets £	Net Current Assets/ (liabilities) £	2007 Total £	2006 Total £
Permanent Endowment	31,534,125		2,057	31,536,182	30,648,092
Restricted Funds	6,327		41,376	47,703	15,997
Unrestricted Funds	672,451	405,944	292,792	1,371,187	956,997
Total Funds	32,212,903	405,944	336,225	32,955,072	31,621,086

16 Connected charities and related party transactions

Connected Charities: Up to December 2006, the Foundation was jointly administered with St Luke’s Parochial Trust (reg charity 207497). Where any joint costs arise these are reimbursed to the charity incurring the immediate charge as shown below between the two charities, some of whose governors/trustees are the same.

Expenditure Item	Total costs incurred by St Luke’s Charged on to Cripplegate	Total costs incurred by Cripplegate Charged on to St Luke’s
Staff Costs	23,000	-
Office, facilities and IT costs	15,552	456

The Foundation's offices at 76 Central Street, London, EC1V 8AQ, are leased from the Trustees of St Luke's Parochial Trust. The term of the lease is 125 years from 13 October 1995 at an initial rent of £5,000 per year, with further reviews every tenth anniversary. In October 2005 there was a rent review that increased the rent to £6,411 p.a.

There was a grant for £15,000 approved in 2006 for St Luke's Parochial Trust towards the cost of developing new activities in the Canonbury area during 2006 and 2007. As at 31st December 2007 £3,530 was paid, with £11,470 outstanding.

As at 31st December 2007 the Foundation was owed £160 (2006: £7,692) by St Luke's Parochial Trust.

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 operated a policy since 1995 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.

17 Governors' Remuneration

2 Governors or persons connected with them have received £107 for expenses during the year (2006 = £193)

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 2007 was £733 (2006 - £928). This cover was extended at no extra cost to include Executive Liability which provides cover for Governors. The limit of indemnity is £500,000 per claim.

INDEPENDENT AUDITORS' REPORT TO THE GOVERNORS OF CRIPPLEGATE FOUNDATION

We have audited the financial statements of the Cripplegate Foundation for the year ended 31 December 2007 on pages 37 to 48. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's governors, as a body, in accordance with Section 43 of the Charities Act 1993 and with regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's governors as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

As described in the Statement of Governors' Responsibilities the charity's governors are responsible for the preparation of the financial statements in accordance with applicable law, United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Governors' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Governors' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the governors in the preparation of the financial statements and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

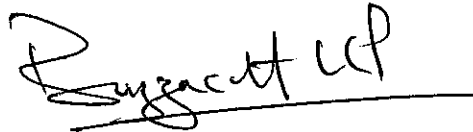
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of state of the charity's affairs as at 31 December 2007 and of its incoming resources and application of resources in the year then ended;
- have been properly prepared in accordance with the Charities Act 1993; and
- the information given in the Governors' Annual Report is consistent with the accounts.

Registered Auditors



Buzzacott LLP
Chartered Accountants and Registered Auditors

Address

12 New Fetter Lane
London
EC4A 1AG

Date: 23 April 2008