

Newcomen Collett Foundation

Charity No. 312804

Financial Statements

for the year ended 30th September 2007

Newcomen Collett Foundation

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GOVERNORS (are appointed by resolution of the remaining Trustees for a term of 4 years)

FIRST APPOINTED

+	U	Mrs S Hase	<i>(Chairman)</i>	16.06.94
+	U	C R Lovell Esq	<i>(Vice Chairman)</i>	17.06.99
+		Professor C Jennings		29.08.88
		E H C Bowman Esq		29.09.88
	U	R Edwards Esq		19.06.97
+		A Covell Esq		10.12.99
	U	J D Spencer Esq		24.09.03
		Revd Canon B Saunders		11.12.03
		Mrs B A Lane		22.09.05
+	C	R V Ashdown Esq		22.09.05
+		Member of the Investment Committee		
C		Member of the Audit Committee		
U		Member of the Governor Selection Committee		

OFFICERS

R J Goatcher Esq MSc FCA

Clerk to the Governors

Mrs L Gersten

Field Officer

PRINCIPAL OFFICE

Marshall House

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London SE1 1YT

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BANKERS

National Westminster Bank plc

10 Stamford Street,

London SE1 1TT

CAF BANK

PO Box 289, West Malling,

Kent ME19 4TA

SOLICITORS

Winckworth Sherwood

The Old Deanery

Deans Court

London EC4V 5AA

AUDITOR

Chantrey Vellacott DFK LLP

10-12 Russell Square

London WC1B 5LF

INVESTMENT MANAGERS

Newton Investment Management Limited

71 Queen Victoria Street

London EC4V 4DR

PURPOSES OF THE FOUNDATION

The Foundation was formed by the merger in 1988 of two much older charities. The Elizabeth Newcomen Educational Foundation was formed in 1685 and John Collett Educational Foundation in 1711. Both charities had been set up for the benefit of young people in and around Southwark.

The charitable purposes of Newcomen Collett Foundation are:

- a) relieving children with learning difficulties attending the Newcomen Centre at Guy's Hospital.
- b) making yearly payments to the Parish School of the Cathedral Church of St Saviour and St Mary Overie, Southwark towards the rent, alterations and repairs to the premises of the School.
- c) making payments to any other Church of England Voluntary Aided School in the London Borough of Southwark towards the rent, alterations and repairs to the premises of the School.
- d) promoting education of persons under the age of 25 years resident in the London Borough of Southwark.

STRUCTURE, GOVERNANCE & MANAGEMENT**Governing Documents & Governors**

The Foundation was set up under a Scheme of the Charity Commissioners dated 16 September 1988.

The Foundation is controlled by a body of Governors, who are the trustees of the Foundation, all of whom are members of the General Meeting of Governors. Governors are elected to serve for a four year period, and may be re-elected for subsequent four year periods. There are a maximum of twelve Governors, none of whom receives any remuneration or benefit from the Foundation. One Governor may be appointed as a Representative Governor by the Governors of the Cathedral School – Mrs Hase, the current Chairman, is that Governor. One other Governor may be appointed as a Representative Governor by the Guy's & St Thomas' Charitable Trust. That position is currently vacant. There have been no changes to the Board of Governors during the year.

There are currently three committees: an Investment Committee, an Audit Committee and a Governor Selection Committee. No committee has delegated powers to act without the authority of the General Meeting of Governors. During 2005, the Governors developed and approved formal terms of reference for both the Audit Committee and the Governor Selection Committee. The terms of reference for the Investment Committee were developed during 2006 by an Investment Strategy Working Party and approved by the Governors during the year (see Investment Management – below).

Trustee Selection & Training

The Governor Selection Committee meets as necessary to consider appointments of new Governors. This Committee last met in 2005 and, as it is not considered necessary to look for new Governors at the present time, no meetings were held during the year.

The Charity is fortunate to have many highly qualified and experienced Governors who are also active in other charities. In keeping with the need to maintain the highest levels of governance, the Foundation encourages all Governors to participate in training that is relevant and which will assist them in their roles. Through our membership of the Charity Finance Directors' Group and also from our auditors, Chantrey Vellacott DFK LLP, various courses are available in many of the specialist areas that affect the Foundation. During the year, a number of Governors have attended these courses which have been most instructive and helpful.

The management of the Foundation and its assets is largely undertaken by two experienced professional staff in the persons of the Clerk and the Surveyor of Marshall's Charity, and the Foundation ensures that both of them undertake appropriate continuing professional education relevant to its needs. Both of them ensure that the relevant knowledge gained in this training is forwarded to the Governors.

Audit Committee

There are normally two meetings each year of the Committee. For convenience, these are held as joint meetings with Marshall's Charity. One of the meetings is concerned with the planning of the audit to be carried out and identifying the areas of special interest which the Governors wish to be examined by the auditors. The other meeting reviews the annual accounts and the outcome of the audit work. In the absence of the Clerk, the auditors also have the opportunity to report to the Governors in confidence on any issues that might have arisen during the audit.

Because the total income of the Foundation is below the threshold which would require an audit of its accounts, the Governors have discussed during the year whether to continue the practice of requiring such an audit. It was felt by the Governors that, whilst this added a small extra cost, the Governors could achieve greater comfort of the stewardship of the income and assets of the Foundation by continuing to require an audit. However, the Governors have noted that the provisions of the Charities Act 2006 will require the Foundation to have an audit for all future accounting periods.

Management

The day-to-day management of the affairs of the Foundation is delegated to the Clerk and the Field Officer, Mrs Lisa Gersten. The Trustees believe that the operation of a Foundation with assets and income of this scale requires the management by professionally trained staff with its necessary costs. They are immensely grateful to both the Clerk and the Field Officer for their dedication to the work of the Foundation, as well as the support given to them by John Hutchings as Surveyor to Marshall's Charity, who reports regularly to the Governors on matters related to the property portfolio of the Foundation. The last 18 months has seen several changes in legislation that will affect the Foundation, most particularly the new SORP accounting regulations and the new Charities Act. The impact of these on the work of a small charity are burdensome, and the Governors thank all the staff for their continued enthusiasm and commitment in dealing with the affairs of the Foundation and supporting the Governors so efficiently.

Risk Management

In 2003, the Governors and the Clerk undertook a major exercise to develop a detailed Risk Map which examined the key areas of the Charity and its operations. This Risk Map and its supporting schedules were adopted by the Governors and have continued to be used as the basis of reviewing risk in the Foundation. Using this Map, during this year the Audit Committee has reviewed the major risks to which the Foundation is exposed and is satisfied that systems exist to minimise the impact of any of the risks on its future effectiveness. This view has been approved by the General Meeting of Governors.

OBJECTIVES, ACHIEVEMENTS & FUTURE PLANS

As can be clearly seen from the Statement of Financial Activities ("SOFA") on page 4 and related notes, the affairs of the Charity are clearly separated into the following principal areas – Investment Management, Grant-making and Governance.

For many years, the Foundation has shared the offices and costs with Marshall's Charity, another grant-making charity. We will deal with this relationship further under the section on Governance below.

1. Investment Management

In 2000/01, the Governors met as an Investment Committee to consider developing a new long-term strategy for the investment assets of the Foundation. Having identified that there had been a long-term reduction in the investment income of the Foundation, the Committee recommended that the following steps be taken to seek to reverse this trend:

- to maintain the ratio of property assets to stocks & shares at its current level of approximately 80% to 20% respectively.
- to dispose of two properties that were not considered to be suitable in the medium to long-term
- to acquire additional commercial properties of a higher quality
- to use borrowed funds if necessary to achieve the previous purpose.

As can be seen from the following paragraphs, major structural changes were made in both portfolios following these decisions. During the last year, the Governors formed a new Investment Committee, with formal terms of reference, and it reported back to the Meeting of Governors in December 2006. Following their report, the following strategic decisions were agreed:

- to continue to maintain the ratio of property assets to stocks & shares at its current level of approximately 80% to 20% respectively.
- to seek to acquire another suitable property for the portfolio, with the understanding that a proportion of its cost would be funded by way of commercial mortgage and the sale, in whole or in part, of another of the existing property portfolio.
- to monitor annually the status of the portfolio with another review to be undertaken in three to four years.

Property

Following the approval of the recommendations from the Investment Committee in 2001, the property in Southport was disposed of, a new retail and residential property acquired in Bexleyheath with the resulting funds and another industrial warehouse acquired in Newark, the latter being acquired with a commercial mortgage secured on Bexleyheath. Whilst the effect of the mortgage costs is to reduce the money available for grants during the ten years of its duration, the Governors believe that this is needed in order to maintain the long-term capital base of the Foundation for future generations of beneficiaries.

After the end of the financial year, one of the tenants went into liquidation. Whilst a rent deposit we hold will mitigate the loss of income we will suffer, we will inevitably suffer a fall of income in the next financial year until the property can be re-let to a new tenant.

At the current time all of the other properties are let at full market rentals.

Stocks & Shares

In March 2004 the Governors, on the advice of their Investment Managers, decided to dispose of their individual holdings in stocks and shares. The resulting funds were invested in a pooled fund managed by Newton Investment Management Limited, their Global Growth and Income Fund for Charities. This is a Common Investment Fund, regulated by the Charity Commission. We receive regular quarterly reports from the Fund Managers of the performance of the Fund and in the time that we have held the investment, its performance has more than matched the major indices such as the FTSE100. At the present time, the Governors do not intend to alter this holding.

2. Grant-making

Although the objects of the Foundation provide for four different categories of grant, the reality of our operations is that most of the work is focussed on the fourth category. Dealing with the other categories first:

- § We received applications, totalling £3,871 (2006 - £5,466) for specialist equipment for five (2006 - seven) young people attending the Wilfred Sheldon Centre, which now carries on the work that was previously carried on by the Newcomen Centre.
- § As in the previous year, we have made an annual grant to the Parish School of the Cathedral Church here in Southwark of £2,000.
- § During the year we made two (2006 - three) grants, totalling £3,000 (2006 - £4,350), to Church of England Voluntary Aided Schools for equipment and running costs.

The remaining grants fall naturally into three different sub-headings: grants for school uniforms, grants to individuals for tertiary and specialist education and grants to schools and voluntary organisations.

For several years, we have worked with the Southwark Education Welfare and Attendance Service ('EWAS') to ensure that funds to allow that Service to purchase school uniforms for needy children were immediately available. This means that we provide them with a float, currently £5,000, which they can use to ensure that no eligible young person who needs to go to school is stopped from doing so due to lack of funds to purchase a school uniform. The Service provides us with a detailed report of the grants that have been made quarterly and during the last financial year they spent £13,835 (2006 - £13,149). This has the advantage that the funds can be made available immediately at the point of need, and the above money benefited 141(2006 - 113) young people. We are immensely grateful for their work in administering these vitally important grants for us, and it was therefore an especial pleasure to welcome Helen Dunlea of the Service to speak to us at the General Meeting in December 2007. She said that she found it difficult to imagine how the Service would manage without the access that they had to these funds. The fact that issues which required immediate expenditure could be dealt with in this manner allowed her team to make decisive moves which immediately impacted the lives of the families they serve in many ways. Such personal feedback of outcomes is very helpful in allowing Governors to appreciate the work being undertaken by the Service. In particular, the Governors asked Helen to convey how much they respect and valued the work that the whole team at EWAS do for the Foundation.

Many of the young people in Southwark make remarkable academic achievements and the Foundation is keen to support them if they seek to go onto university or college. During the last year we have supported 40 students from the Borough of Southwark (2006 - 40 students). Provided the students continue in their studies the Governors will normally consider grant applications from them until the course they have started is completed. Thus we regularly receive feedback from the students on their progress and the impact of their studies on their lives.

The remainder of our grants are made to a wide variety of schools and organisations that serve the young people of the Borough of Southwark, many of whom are set out in the list of Major Grants on page 10 of these Accounts. The breadth of these activities is enormously wide, including school journeys, music productions and equipment, sports equipment and resources, dance, drama and computers. The Governors wish to pay tribute to the vast amount of unpaid time and effort which is given by so many people to these groups, realising that without their commitment, the

grant support of the Foundation could achieve nothing. We are able to closely follow these organisations thanks to the dedication of our Field Officer who visits many of them to evaluate their applications and their suitability and often attends performances of music or drama where they are the outcome of the activity. In addition, during the year Governors visited a number of events or beneficiaries to see for themselves the excellent use that is made of the grants they are giving. Many of the schools and groups also supply information on the events that they carry out and all the details of these are made available to the Governors at their Meetings.

3. Governance

As with the corporate world, the charity sector has recognised that good governance and transparency are key responsibilities in their relationship with the community they serve. Newcomen Collett Foundation seeks to ensure that it meets the highest standards in these areas consistent with the size of its operations and funds.

As a result of the work done by the Investment Strategy Working Party, the Governors were able to approve detailed terms of reference for an Investment Committee, so that all three Committees now have formal terms of reference. The Trustees rely greatly on the careful and thoughtful work undertaken by these committees which allows the General Meeting to deal more effectively with the many issues which are its concern.

For many years the Foundation had had an undocumented, working arrangement for sharing staff and costs with Marshall's Charity. A final agreement, together with a licence to occupy the premises at Newcomen Street, was approved and signed by both parties during the year and came into force in July 2006.

The pay arrangements of the staff had been dealt with by the Remuneration Committee of Marshall's Charity. That Charity invites the Foundation to appoint a representative to attend their annual meeting, and the Chairman, Mrs Hase, was appointed and attended their Meeting in January 2007 and January 2008.

Statement of Governors' Responsibilities

Charity law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the Foundation's financial affairs during the year and of its financial position at the end of the year. In preparing financial statements, giving a true and fair view, the Governors should follow best practice and:

- § select suitable accounting policies and apply them consistently;
- § make judgements and estimates that are reasonable and prudent;
- § state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements, and
- § prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Governors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and which enable them to ascertain the financial position of the Foundation and which enable them to ensure that the financial statements comply with applicable law and the Constitutional Scheme. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention of fraud and other irregularities.

The Foundation is currently developing a website to assist potential beneficiaries to know of the work of the Foundation. The Governors are responsible for the maintenance and integrity of the corporate and financial information included on its website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FINANCIAL REVIEW

Review of Finances

As can be seen from the Statement of Financial Activities, following a major rent increase in the previous year, the property rentals increased in the year. All the properties were fully occupied during the year although, as has already been pointed out in the Property Review section above, one property became vacant following the end of the year due to the liquidation of the tenant.

The freehold investment properties are revalued annually by the Surveyor to Marshall's Charity, but his view this year is that there had been little change in the portfolio. As a result of the rising stock market both in the United Kingdom and particularly in the Far East and Emerging Markets, the securities portfolio has continued to recover from the bear market conditions in 2002.

Reserves Policy

The Governors have adopted a policy regarding reserves which seeks to ensure that

- a) unrestricted funds should be less than twelve months' overhead expenditure;
- b) there are adequate funds to ensure that the Foundation is able to meet all current and known future liabilities.

The level of reserves is considered and reviewed regularly by the Governors. Because of the strategy of making prudent levels of grants during recent years whilst the property portfolio was changing, reserves have risen to the upper end of the policy range. However, it is now expected that these will be reduced in the coming years.

Approved by the Governors on 13 March 2008 and signed on their behalf:

Mrs S Hase

.....Chairman

Mr R Lovell

.....Vice Chairman

We have audited the financial statements of Newcomen Collett Foundation ("the Foundation") for the year ended 30 September 2007 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Foundation's Governors, as a body, in accordance with section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the Foundation'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 Foundation and the Foundation'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 Report of the Governors, the Governors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 Report of the Governors is not consistent with the financial statements, if the Foundation has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit

We read the Report of the Governors 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 misstatements 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 judgements made by the Governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Foundation'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 the state of the Foundation's affairs as at 30 September 2007 and of its incoming resources and application of resources for the year then ended; and
- § have been properly prepared in accordance with the Charities Act 1993.

CHANTREY VELLACOTT DFK LLP**Chartered Accountants
Registered Auditor
London****13 March 2008**

	Notes	Unrestricted Funds	Endowment Fund	Total 2007	Total 2006
		£	£	£	£
INCOMING RESOURCES					
Investment income					
<i>Property rentals</i>		210,300	-	210,300	195,200
<i>Dividends & interest</i>	3	27,311	-	27,311	24,222
<i>Insurance commission</i>		3,716	-	3,716	3,368
Total incoming resources		241,327	-	241,327	222,790
RESOURCES EXPENDED					
Cost of generating funds	12	45,450	-	45,450	37,064
Charitable activities	12	147,703	-	147,703	148,959
Governance costs	12	5,320	-	5,320	5,190
Total resources expended		198,473	-	198,473	191,213
Net incoming resources before transfers		42,854	-	42,854	31,577
<i>Gross transfers between funds</i>	8	(30,067)	30,067	-	-
Net incoming resources		12,787	30,067	42,854	31,577
Other gains					
<i>Property - unrealised</i>		-	197,175	197,175	60,000
<i>Securities -unrealised</i>		-	45,604	45,604	47,448
Net movement in funds		12,787	272,846	285,633	139,025
<i>Fund balances brought forward</i>		60,748	2,949,721	3,010,469	2,871,444
Total funds carried forward		73,535	3,222,567	3,296,102	3,010,469

All the above amounts relate to continuing activities and include all recognised gains and losses.

The notes on pages 6 to 10 form part of these accounts.

	Notes	2007		2006	
		£	£	£	£
FIXED ASSETS					
<i>Freeholds</i>	2		2,761,475		2,564,300
<i>Securities</i>	4		712,554		666,950
			3,474,029		3,231,250
CURRENT ASSETS					
<i>Debtors and prepayments</i>	5	36,621		25,591	
<i>Cash at bank and in hand</i>		101,209		98,918	
		137,830		124,509	
Creditors: Amounts falling due within one year	6	(125,184)		(122,833)	
Net Current Assets			12,646		1,676
Total assets less current liabilities			3,486,675		3,232,926
Creditors: Amounts falling after more than one year	7		(190,573)		(222,457)
NET ASSETS			3,296,102		3,010,469
<i>Unrestricted Fund</i>			73,535		60,748
<i>Endowment Fund</i>	8		3,222,567		2,949,721
TOTAL FUNDS			3,296,102		3,010,469

Approved by the Governors and authorised for issue on 13 March 2008 and signed on their behalf:

Mrs S Hase Governor

Mr R Lovell Governor

The notes on pages 6 to 10 form part of these accounts.

1. Accounting policies

- a The accounts have been prepared on an historical cost basis with the exception of freehold properties and investments which are included at valuation.
- b All securities are shown at mid-market value; realised and unrealised profits are dealt with by adjustment to the endowment fund.
- c Repairs and renewals to property are charged to income when incurred.
- d Grants are treated as expenditure when authorised by the Governors, not when the grants are paid.
- e Rental income is credited when receivable. Investment income is credited on an accruals basis.
- f The accounts comply with the 2005 Statement of Recommended Practice, "Accounting and Reporting by Charities", applicable accounting standards and the Charities Act 1993.

2 Freehold properties

	2007	2006
	£	£
<i>Opening balance at 1st October 2006</i>	2,564,300	2,504,300
<i>Revaluation of properties at year end</i>	197,175	60,000
<i>Closing balance at 30th September 2007</i>	2,761,475	2,564,300

The property portfolio has been valued by Mr J D Hutchings DipBs FBEng FRICS, who is the Surveyor to Marshall's Charity.

3 Dividends and interest on securities

	2007	2006
	£	£
<i>Dividends and interest on securities</i>	24,417	21,861
<i>Other interest received</i>	2,894	2,361
	27,311	24,222

4 Securities - UK Unit Trusts

Market value at 1st October 2006
Net gains on revaluations during year

2007	2006
£	£
666,927	619,479
45,604	47,448

Add: Portfolio cash awaiting investment

712,531	666,927
23	23

Market value at 30th September 2007

712,554	666,950
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Historical cost at 30th September 2007
Historical gains/(losses) on disposals during the year

488,025	488,025
-	-

At 30 September 2007, investments consisted of the following holdings:

Name of holding

Newton Global Growth & Income Fund units
Charibond Income Fund units

Market value
693,090
19,464

5 Debtors and prepayments

Rents due from tenants
Other debtors

2007	2006
£	£
36,621	18,879
-	6,712
36,621	25,591

6 Creditors: amounts falling due within one year

Grants authorised but unpaid
Rent deposit from tenant
Value Added Tax
Mortgage payable within one year
Other creditors

2007	2006
£	£
65,913	66,091
19,296	18,438
5,870	5,112
31,734	29,917
2,371	3,275
125,184	122,833

7 Creditors: amounts falling due after more than one year

In August 2003, the Governors took a commercial mortgage from Alliance & Leicester Commercial Bank, charged on its investment property in Bexleyheath. The amount of the mortgage was £335,000, repayable in equal monthly instalments over 10 years. Interest is fixed at 5.875% for the first five years.

The funds raised by this mortgage were used to fund the purchase of the investment property at Telford Drive, Newark.

This mortgage is repayable as follows:

within 2 - 5 years
greater than 5 years

2007	2006
£	£
148,168	138,822
42,405	83,635
190,573	222,457

8 Endowment Fund

Balance brought forward from previous year

Adjustment to market value of properties

Revaluation of investments

Transfer from Income to cover mortgage repayments

2007	2006
£	£
2,949,721	2,813,915
197,175	60,000
45,604	47,448
30,067	28,358
3,222,567	2,949,721

9 Trustees

- In 2007 and 2006, no Governor was in receipt of any remuneration or expenses from the Foundation, nor were any expenses re-imbursed to Governors by payment to a third party.
- Governors were not involved in any transactions, except where the Foundation made grants to charities with which a Governor was associated. In those cases, the Governor involved did not vote.

10 Audit fees

Fees paid to the auditors in the year totalled £ 2,837 (2006 - £2,819) and were all in respect of audit services.

11 Analysis of Net Assets between Funds

	2007			Total
	Fixed Assets	Long-term liabilities	Net Current Assets	
	£	£	£	£
Restricted Funds				
<i>Endowment Fund</i>	3,474,029	(190,573)	(60,889)	3,222,567
Unrestricted Funds				
<i>Unallocated Income</i>	-	-	73,535	73,535
	3,474,029	(190,573)	12,646	3,296,102

12 Resources expended

	Direct costs	Allocated support costs	2007 TOTAL	2006
	£	£	£	£
Cost of generating funds				
<i>Property costs</i>	9,511	21,966	31,477	21,382
<i>Mortgage interest</i>	13,973	-	13,973	15,682
	23,484	21,966	45,450	37,064
Charitable activities				
<i>Grant costs paid (see Note 14)</i>	120,818	26,885	147,703	148,959
Governance costs	-	5,320	5,320	5,190
	144,302	54,171	198,473	191,213

All overheads (except Audit costs, which have been charged to Governance), have then been allocated between the categories on the basis of the total staff time spent on these activities.

13 Staff

In January 2007, the Field Officer, Mrs Lisa Gersten, who had previously been an employee of Marshall's Charity, became an employee of the Foundation.

14 Major grants during the year

Recipient	Amount £
Cathedral School	4,700
Foundation for Young Musicians	4,000
Borough Music School	2,500
Unicorn Theatre for Children	2,250
Cambridge House Learning Disability	2,000
Capital Carers	2,000
Fairbridge	2,000
Golden Hind Educational Trust	2,000
National Theatre	2,000
St Peter's Primary School	2,000
Highshore School	1,850
St Bride Foundation	1,806
1st St James Guides	1,800
Create (Arts) Limited	1,608
Camberwell Arts Workshop	1,550
1st Riverside Brownies	1,500
Charles Dickens Primary School	1,500
Charterhouse in Southwark	1,500
City, Lambeth and Southwark Music Education Trust	1,500
Shakespeare's Globe	1,500
John Ruskin School	1,400
Beormund School	1,250
Salmon Youth Centre	1,250
Goodrich Community School	1,200
1st St James Brownies	1,000
Albany District Scout Council	1,000
Bede House	1,000
Café Gallery Project	1,000
Charisma Gym Club	1,000
Coral Dance Company	1,000
Dulwich Hamlet Junior School	1,000
Live Music Now	1,000
Magic Lantern	1,000
New Peckham Varieties	1,000
Oval House Summer School	1,000
Southwark Caribb Youth Football and Sports Academy	1,000
St Giles Trust	1,000
St John's & St Clement's Primary School	1,000
St John's Youth Club	1,000
St Joseph's Catholic Junior School	1,000
Surrey Square After-School Club	1,000
The Voices Foundation	1,000
Waterloo Sports and Football Club	1,000
Youth Education Support Services	1,000
	66,664
Other grants	60,229
	126,893
Less: Cancellations during the year	(6,075)
Total net grants for the year	120,818