

**Newcomen Collett Foundation**

*Charity No. 312804*

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## **Financial Statements**

for the year ended 30th September 2009

# Newcomen Collett Foundation

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

## FIRST APPOINTED

+	<b>u</b>	Mrs S Hase	<i>(Chairman)</i>	16.06.94
+	<b>u</b>	<b>c</b> R Lovell Esq	<i>(Vice Chairman)</i>	17.06.99
		E H C Bowman Esq		29.09.88
	<b>u</b>	R Edwards Esq		19.06.97
+		A Covell Esq		10.12.99
	<b>u</b>	J D Spencer Esq		24.09.03
		Revd Canon B Saunders		11.12.03
		Mrs B A Lane		22.09.05
+	<b>c</b>	R V Ashdown Esq		22.09.05
		A Leiffheidt Esq	<i>(appointed 11 December 2008)</i>	11.12.08
		Miss H Cockerill	<i>(appointed 11 March 2009)</i>	11.03.09
		P Scott Esq	<i>(appointed 11 March 2009)</i>	11.03.09
		M Ibbott Esq	<i>(appointed 11 March 2009)</i>	11.03.09
	<b>+</b>	Member of the Investment Committee		
	<b>c</b>	Member of the Audit Committee		
	<b>u</b>	Member of the Governor Selection Committee		

## OFFICERS

R J Goatcher Esq MSc FCA

*Clerk to the Governors*

Ms A Lamont

*Field Officer*

## PRINCIPAL OFFICE

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66 Newcomen Street  
London SE1 1YT

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Fax: 020 7403 3969  
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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

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**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. Until 2009, there had been 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. During the year, the Trust appointed Miss Helen Cockerill, a Speech Therapist, as their Representative Governor.

As mentioned above, there was an upper limit of twelve Governors, but the Governor Selection Committee had identified three potential candidates, and the appointment of all three would bring the total number of Governors to thirteen. It was decided that it would be unfortunate to delay appointing any of them, and a resolution passed to increase the maximum number of Governors to fourteen. As a result, we were able to appoint Alexander Leiffheidt, a local theatre administrator, Paul Scott, an architect with wide experience as a school governor and Mike Ibbott, a town planner with considerable charity experience.

**Trustee Selection & Training**

The Governor Selection Committee had met twice during 2008 and identified the three potential new Governors referred to in the previous paragraph. Now that the Foundation has thirteen Governors, no further meetings of the Committee are planned for the time being.

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 auditor, 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 auditor. The other meeting reviews the annual accounts and the outcome of the audit work. In the absence of the Clerk, the auditor also have the opportunity to report to the Governors in confidence on any issues that might have arisen during the audit.

**Public Benefit**

The objects and purposes of the Foundation are set out in the first paragraphs of this page. The Governors confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year.

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**Management**

The day-to-day management of the affairs of the Foundation is delegated to the Clerk and the Field Officer. Since 1975, the Foundation has been blessed to have the services of Lisa Gersten as its Field Officer, and her knowledge of the Borough of Southwark and its institutions has enormously assisted the Governors in carrying out their work. In 2009 she decided to retire, and at her final Meeting in June, the Chairman paid tribute to her enthusiasm and interest in all the applicants. She had been with the Foundation (and its predecessors) longer than any Governor and her depth of knowledge and experience would be sorely missed.

During the year the process of finding her successor was undertaken, and a wide selection of excellent candidates applied to the public advertisement of the post. Following interviews, the Governors were delighted to appoint Ms Amy Lamont as the new Field Officer and she joined the Foundation in May. Amy trained as a sports teacher and her previous post was with a London charity. She has lived in the Borough of Southwark for most of her life, and the Governors are very pleased to have such an enthusiastic and capable Field Officer to fulfil this vital role for them.

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 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 few years have 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:

- o to maintain the ratio of property assets to stocks & shares at its current level of approximately 80% to 20% respectively.
- o to dispose of two properties that were not considered to be suitable in the medium to long-term
- o to acquire additional commercial properties of a higher quality
- o 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 2006, 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:

- o to continue to maintain the ratio of property assets to stocks & shares at its current level of approximately 80% to 20% respectively.
- o 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.
- o to monitor annually the status of the portfolio with another review to be undertaken in three to four years.

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## 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.

Towards the end of the previous financial year, one of the tenants went into liquidation. The Governors decided to take the opportunity to re-furbish the shop and residential accommodation above, and by the end of this year, both properties were let. As a result, at the current time all of the other properties are let at full market rentals.

## Securities

In March 2004 the Governors, on the advice of their Investment Managers, decided to dispose of the Foundation's 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, authorised and approved 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 £4,614 (2008 - £6,223) for specialist equipment for five (2008 - nine) 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 three (2008 - one) grants, totalling £3,340 (2008 - £1,500), 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 £9,660 (2008 - £15,458). This has the advantage that the funds can be made available immediately at the point of need, and the above money benefited 119 (2008 - 138) 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 March 2009. 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 39 students from the Borough of Southwark (2008 - 17 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 Officers 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.

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 and 2006, the Governors developed and approved formal terms of reference for all three of these committees. 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 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 and came into force in July 2006.

The pay arrangements of the staff are 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 for the last three years.

In order to allow potential beneficiaries to find out more easily about the work of the Foundation and their ability to qualify for grants from us, the Foundation has designed and launched its own website, [www.newcomencollett.org.uk](http://www.newcomencollett.org.uk). As well as providing information about the Foundation, it allows applicants to download blank application forms, thus speeding up and simplifying the process of applying to us. The Governors thank the Clerk for his work in collating the information and photographs used in the site, and also thank Sue Davis, the web designer, who produced a simple, clear design that is much praised and commented upon by users.

#### **Statement of Governors' Responsibilities**

The Governors are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of its Constitutional Scheme. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

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**FINANCIAL REVIEW**

**Review of Finances**

As was reported last year, one of the properties became vacant in August 2008 following the liquidation of the tenant. The premises consisted of both retail premises and a residential flat above. The Governors decided to take the opportunity to re-furbish both premises and they were eventually both re-let separately in September 2009.

The freehold investment properties are revalued annually by the Surveyor to Marshall's Charity, and his view this year is that there had been decline in the value of the portfolio. The portfolio is invested in secondary property, which fortunately has not declined as much as the more publicised losses in prime property.

The decline in stock markets worldwide in the previous year has partially reversed during this financial year, with the resulting small increase in the valuation of our securities portfolio. The performance of our portfolio is monitored against published indices and the decline is in line with market conditions. More importantly for the Foundation, the income return on the portfolio has continued to rise in the last three years.

**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. Although consideration will be given to an eventual reduction in reserves, the Governors feel that prudence dictates that a gradual increase in reserves until economic conditions stabilise would be appropriate.

Approved by the Governors on 18 March 2010 and signed on their behalf:

**S Hase**

.....Chairman

**R Lovell**

.....Vice Chairman

We have audited the financial statements of Newcomen Collett Foundation ("the Foundation") for the year ended 30 September 2009 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 auditor**

The Governors' responsibilities for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Governors' Responsibilities.

We have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under 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 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 those financial statements, if the Foundation has not kept sufficient accounting records, if the Foundation's financial statements are not in agreement with these 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 the implications for our report if we become aware of any apparent misstatements within it.

**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 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 2009 and of its incoming resources and application of resources for the year then ended; and
- § the financial statements have been properly prepared in accordance with the Charities Act 1993.

**CHANTREY VELLACOTT DFK LLP****Chartered Accountants  
Statutory Auditor  
London****18 March 2010**

	Notes	Unrestricted Funds	Endowment Fund	Total 2009	Total 2008
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Investment income</b>					
<i>Property rentals</i>		202,195	-	202,195	188,865
<i>Dividends &amp; interest</i>	3	29,380	-	29,380	30,997
<i>Insurance commission</i>		4,290	-	4,290	4,347
<b>Total incoming resources</b>		<b>235,865</b>	<b>-</b>	<b>235,865</b>	<b>224,209</b>
<b>RESOURCES EXPENDED</b>					
<b>Cost of generating funds</b>	12	86,716	-	86,716	52,603
<b>Charitable activities</b>	12	128,181	-	128,181	128,701
<b>Governance costs</b>	12	8,592	-	8,592	5,713
<b>Total resources expended</b>		<b>223,489</b>	<b>-</b>	<b>223,489</b>	<b>187,017</b>
<b>Net incoming resources before transfers</b>		<b>12,376</b>	<b>-</b>	<b>12,376</b>	<b>37,192</b>
<i>Gross transfers between funds</i>	8	(33,528)	33,528	-	-
<b>Net incoming resources</b>		<b>(21,152)</b>	<b>33,528</b>	<b>12,376</b>	<b>37,192</b>
<b>Other gains/(losses)</b>					
<i>Property - unrealised</i>		-	(191,250)	(191,250)	(113,225)
<i>Securities -unrealised</i>		-	18,332	18,332	(135,287)
<b>Net movement in funds</b>		<b>(21,152)</b>	<b>(139,390)</b>	<b>(160,542)</b>	<b>211,320</b>
<i>Fund balances brought forward</i>		78,996	3,005,786	3,084,782	3,296,102
<b>Total funds carried forward</b>		<b>57,844</b>	<b>2,866,396</b>	<b>2,924,240</b>	<b>3,084,782</b>

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	2009		2008	
		£	£	£	£
<b>FIXED ASSETS</b>					
<i>Freeholds</i>	2		2,457,000		2,648,250
<i>Securities</i>	4		595,599		577,267
			<b>3,052,599</b>		<b>3,225,517</b>
<b>CURRENT ASSETS</b>					
<i>Debtors and prepayments</i>	5	31,644		29,781	
<i>Cash at bank and in hand</i>		68,960		90,158	
		100,604		119,939	
<b>Creditors: Amounts falling due within one year</b>	6	(108,108)		(103,790)	
<b>Net current (liabilities)/assets</b>			(7,504)		16,149
<b>Total assets less current liabilities</b>			3,045,095		3,241,666
<b>Creditors: Amounts falling after more than one year</b>	7		(120,855)		(156,884)
<b>NET ASSETS</b>			<b>2,924,240</b>		<b>3,084,782</b>
<i>Unrestricted Fund</i>			57,844		78,996
<i>Endowment Fund</i>	8		2,866,396		3,005,786
<b>TOTAL FUNDS</b>			<b>2,924,240</b>		<b>3,084,782</b>

Approved by the Governors and authorised for issue on 18 March 2010 and signed on their behalf:

**S Hase** ..... Governor

**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 securities which are included at valuation.
- b All securities are shown at mid-market value; realised and unrealised profits and losses on properties and securities 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. Securities 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

	2009	2008
	£	£
<i>Opening balance at 1st October 2008</i>	2,648,250	2,761,475
<i>Revaluation of properties at year end</i>	(191,250)	(113,225)
<i>Closing balance at 30th September 2009</i>	<b>2,457,000</b>	<b>2,648,250</b>

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

	2009	2008
	£	£
<i>Dividends and interest on securities</i>	28,416	27,147
<i>Other interest received</i>	963	3,850
	<b>29,379</b>	<b>30,997</b>

**4 Securities - UK Unit Trusts**

	2009	2008
	£	£
<i>Market value at 1st October 2008</i>	577,244	712,531
<i>Net gain/(loss) on revaluations during year</i>	18,332	(135,287)
	<b>595,576</b>	<b>577,244</b>
<i>Add: Portfolio cash awaiting investment</i>	23	23
	<b>595,599</b>	<b>577,267</b>
<i>Market value at 30th September 2009</i>	<b>595,599</b>	<b>577,267</b>
	<b>488,025</b>	<b>488,025</b>
<i>Historical cost at 30th September 2009</i>	488,025	488,025

At 30 September 2009, securities consisted of the following holdings:

Name of holding	Market value
<i>Newton Global Growth &amp; Income Fund units</i>	575,252
<i>Charibond Income Fund units</i>	20,347

**5 Debtors and prepayments**

	2009	2008
	£	£
<i>Rents due from tenants</i>	<b>31,644</b>	<b>29,781</b>

**6 Creditors: amounts falling due within one year**

	2009	2008
	£	£
<i>Grants authorised but unpaid</i>	51,473	47,080
<i>Rent deposit from tenant</i>	10,160	10,023
<i>Value Added Tax</i>	4,700	5,899
<i>Mortgage payable within one year</i>	36,193	33,692
<i>Other creditors</i>	5,582	7,096
	<b>108,108</b>	<b>103,790</b>

**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. In September 2008, the interest rate was fixed for the remaining five years of the loan at 7.18% p.a. 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

2009	2008
£	£
120,855	156,884
-	-
<b>120,855</b>	<b>156,884</b>

**8 Endowment Fund**

*Balance brought forward from previous year*  
*Adjustment to market value of properties*  
*Adjustment to market value of securities*  
*Transfer from Income to cover mortgage repayments*

2009	2008
£	£
3,005,786	3,222,567
(191,250)	(113,225)
18,332	(135,287)
33,528	31,731
<b>2,866,396</b>	<b>3,005,786</b>

**9 Trustees**

- In 2009, £48 (2008 - £nil) was paid to Governors for travel expenses. No remuneration was paid to Governors by 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 auditor in the year totalled £3,148 (2008 - £3,246) and were all in respect of audit services.

**11 Analysis of Net Assets between Funds**

	2009			Total
	Fixed Assets	Long-term liabilities	Net Current Assets/ (Liabilities)	
	£	£	£	£
<b>Restricted Funds</b>				
<i>Endowment Fund</i>	3,052,599	(120,855)	(65,348)	2,866,396
<b>Unrestricted Funds</b>				
<i>Unallocated Income</i>	-	-	57,844	57,844
	<b>3,052,599</b>	<b>(120,855)</b>	<b>(7,504)</b>	<b>2,924,240</b>

**12 Resources expended**

	Direct costs	Allocated support costs	2009 TOTAL	2008
	£	£	£	£
<b>Cost of generating funds</b>				
<i>Property costs</i>	51,319	22,886	74,205	40,294
<i>Mortgage interest</i>	12,511	-	12,511	12,309
	63,830	22,886	86,716	52,603
<b>Charitable activities</b>				
<i>Grant costs paid (see Note 13)</i>	99,954	28,227	128,181	128,701
<b>Governance costs</b>	-	8,592	8,592	5,713
	<b>163,784</b>	<b>59,705</b>	<b>223,489</b>	<b>187,017</b>

All overheads (except Audit costs and legal fees, 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 Major grants during the year**

<b>Recipient</b>	<b>Amount</b>
	<b>£</b>
Oliver Goldsmith Primary School	3,000
Cathedral School	2,000
Foundation for Young Musicians	2,000
Training for Life	2,000
St John's & St Clement's Primary School	1,900
Goodrich Community School	1,800
Café Gallery	1,500
Colombo Sports and Community Centre	1,500
Listening Books	1,500
Magic Lantern	1,500
Otter Canoe Club	1,500
Pembroke Academy of Music	1,500
Young Vic Theatre	1,500
Beormund School	1,330
Lambeth & Southwark Primary School	1,250
1st St James Guides	1,000
Arts Express	1,000
Bede House	1,000
Bethwyn Road Playground	1,000
Borough Music School	1,000
Camberwell After School Project	1,000
Create (Arts) Limited	1,000
Dog Kennel Hill Primary School	1,000
Fevered Sleep	1,000
Oval House Summer School	1,000
Royal Opera House	1,000
Sacred Heart RC School	1,000
Siobhan Davis Dance	1,000
Southwark Children's Foundation	1,000
Southwark Heritage Association	1,000
Southwark Tigers Rugby Football Club	1,000
Sparks Sport	1,000
St Giles Trust	1,000
Volunter Reading Help	1,000
XLP	1,000
Youth Animation and Media	1,000
	<b>46,780</b>
Other grants	55,355
	102,135
Less: Cancellations during the year	(2,181)
<b>Total net grants for the year</b>	<b>99,954</b>