

**The Peter Harrison Foundation**

Report and Financial Statements

Year Ended

31 May 2005



# **THE PETER HARRISON FOUNDATION**

## **Annual report and financial statements for the year ended 31 May 2005**

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### **Trustees**

P R Harrison F.C.A. (Chairman)  
J E Harrison  
J C Harrison-Lee LL.B  
P J G Lee LL.B

### **Director**

J Ledlie CB OBE

### **Principal Office**

2nd Floor, Foundation House, 42-48 London Road, Reigate, Surrey, RH2 9QQ

### **Bankers**

HSBC Private Bank (UK) Ltd, 78 St James's Street, London SW1A 1JB  
Cater Allen Private Bank, Sovereign House, 16/22 Western Road, Romford, RM2 3SP  
UBS AG, 1 Curzon Street, London, W1J SHB

### **Auditors**

Kingston Smith, Surrey House, 36-44 High Street, Redhill, Surrey, RH1 1RH

### **Solicitors**

Withers, 16 Old Bailey, London, EC4M 7EG

### **Charity registration number**

1076579

# THE PETER HARRISON FOUNDATION

## Report of the trustees for the year ended 31 May 2005

The Trustees of the Peter Harrison Foundation present their report together with the accounts for the year ended 31 May 2005.

### 1. Foundation and Investment endowment fund

The Foundation was established on 29 April 1999, with an original capital gift of £1,000 as the initial Capital fund, and a donation from the Founder of £386,401, credited to Unrestricted Income funds in the financial period to 31 May 2000.

During the year to 31 May 2001, the Foundation was gifted £30,000,000 of loan notes on 10 October 2000 by the Peter Harrison family settlements. These gifts have been added to the original capital endowment fund, for investment and generation of income for annual distribution. The Trustees encashed the loan notes on 15 April 2001 and have invested the proceeds mainly on short-term bank deposits and fixed asset investments, pending a review of future investment policy.

During the year to 31 May 2002 a further endowment of £590,417 was gifted by the Peter Harrison family settlements, which has been credited to the expendable Capital endowment fund.

The original capital endowment gift fund may be distributed at the Trustees discretion, but the current policy is to retain the Capital Fund and create the maximum Income Fund generation, for distribution in each year.

The Foundation's general investment and charitable grant strategy is to use the income generated from the endowments, after administrative costs, to distribute fully the net income in each year.

### 2. Objects of the Foundation

Under the terms of the Trust Deed the objects of the Foundation are wide and provide that funds are "applied for such charitable institutions or such other objects which are charitable in accordance with the laws of England and Wales as the Trustees may in their absolute discretion select." The policy guidelines set out the main areas as assisting disability, disadvantage and education and trustees' discretion.

### 3. Foundation organisation

There are four Trustees, Peter Harrison (Chairman), Joy Harrison, Julia Harrison-Lee and Peter Lee. The Foundation is based at Foundation House, Reigate and the Trustees meet at least three times a year when they review activities and consider grant applications. Clause 4 of the Trust Deed dated 29 April 1999 states that future trustees must be appointed by resolution of the Trustees and every future trustee must sign a declaration of willingness to act as a trustee.

During the year there was one Charity Director, a part time Grants Officer, a part time Administrative Assistant and a part time Bookkeeper. The Trustees delegate the day to day running of the Foundation to this team who report to the Trustees.

All applications received are assessed by the Director and the Grants Officer. Site visits are undertaken by the Director or Grants Officer when considering the more substantial grant applications; smaller applications are assessed on the telephone. Reports are then prepared on those projects that are a priority for consideration by the Trustees.

### 4. Financial review of the year

#### (i) Total gross income

The total gross income for the year amounted to £1,512,233 (FY 2004 - £1,214,728).

The unrestricted income fund received interest and dividends from investments and cash deposits of £1,493,733 (FY 2004 - £1,189,728) together with a £18,500 donation (FY 2004 - £25,000) from the Peter R Harrison 'B' Settlement in the form of rent-free accommodation.

## THE PETER HARRISON FOUNDATION

### Report of the trustees for the year ended 31 May 2005 (continued)

#### (ii) Charitable Grants Awarded

The Foundation received 92 completed applications in the year amounting to a total grant potential value of £2,035,448.

The Foundation Director and Grants Officer conduct a full review of each application according to the Foundation policy guidelines of specifically helping disability, disadvantage and education under the “Opportunities through Sport”, “Special Needs and Care” and “Opportunities through Education” programmes.

After due consideration and assessment the Trustees have awarded grants from the Unrestricted Income Fund, for the year of £1,285,160 (FY 2004 - £1,156,908).

#### (iii) Operating Overhead Expenses

The support costs of grant evaluation £90,411 (FY 2004 - £92,890) together with management and administration £54,577, (FY 2004 - £64,758) resulted in a total overhead cost for the year at 144,988 (FY 2004 – £157,648). Operating overheads amounted to 9.6% of Total Fund income for the financial year 2005. (FY 2004 – 13.0%)

### 5. Reserves policy

The net annual surplus on Unrestricted Income Fund, after deducting charitable expenditure and expenses, is £96,785 (FY 2004 deficit £111,628). After deducting the brought forward deficit of £(69,511) the Balance Sheet shows a carry forward net income surplus of £ 27,274 (FY 2004 – deficit £69,511).

The policy adopted by the Trustees is to retain the original capital endowment fund of £30,001,000, or its current net investment value, intact and to donate all of the annual unrestricted income received, net of operating overhead expenditure, and any investment value adjustment necessary to the carry forward balance at the year end.

A number of the Foundation’s grants, provided and charged against the Unrestricted Income fund, are payable in future years. All unpaid amounts at the year end are carried forward in the Balance Sheet under creditors payable within one year. ( See Note 4 Charitable grants )

### 6. Grant making policy

The Trustees’ policy is that grants are made to registered charities and other similar recognised organisations. In addition, the Trustees have developed publicly available guidelines that set out the areas that are funding priorities for the Trustees.

Whilst the guidelines set the priority areas for the Foundation’s funding the Trustees have, in their discretion, also funded a small number of projects run by registered charities outside the published guidelines; such funding is still in accordance with the terms of the Trust Deed. In addition to the published guidelines the Trustees also look to fund projects where their grant will make a substantial difference to the charity funded and where there is evidence of financial viability and strong volunteer support.

The guidelines are available on request of the Foundation, appear in specific charity sector publications and can be downloaded from the website, [www.peterharrisonfoundation.org](http://www.peterharrisonfoundation.org)

Projects are monitored on a regular basis and reports are made on completed projects.

### 7. Achievements & Performance

During the year, the Trustees have sought to develop the scope of the Foundation’s three main grant-making programmes in the field of:

- a) Education
- b) Special Needs & Care for Young People
- c) Opportunities Through Sport

## THE PETER HARRISON FOUNDATION

### Report of the trustees for the year ended 31 May 2005 (continued)

In addition, grants were also made from:

d) The Trustees' Discretionary Programme

In Education, 5 further bursaries have been granted to deserving pupils at Reigate Grammar School and grants have been made to 7 schools to help them to be able to apply for Specialist School status. In Special Needs & Care, a major capital grant was made to the Chailey Heritage School to provide for a new classroom in the primary Department and 10 other projects were assisted in the South East of England. In Opportunities Through Sport, a further grant was made to Youth Sport Trust to support the Top Sportability programme; and grants were made to 26 other trusts, clubs and other charities throughout the UK, primarily in the field of Disability Sport. Arrangements were put in place with Loughborough University for the funding of a Centre for Disability Sport at the University. From the Trustees' Discretionary Programme, 15 grants were made to a variety of charities.

The Trustees believe that, taken together, these grants meet the objective of benefiting as wide a cross-section of the community as possible in the various grant-making fields. The Trustees will continue to look for a wide variety of projects that enable those with disabilities or who are otherwise excluded to achieve their full potential.

#### 8. Related party transactions

During the year the Foundation operated from the 2nd Floor, Foundation House, 42-48 London Road, Reigate, RH2 9QQ, under a rent-free terminable agreement. The freehold building is owned by the P R Harrison 1997 "B" Settlement. This has been valued at a £18,500 saving per annum in rent to the Foundation and is reflected in the accounts as both income and expenditure.

An agreement has been made between the Foundation and the "B" Settlement that the costs associated with the occupation by the "B" Settlement and the Foundation of the shared office is 30% based on the space occupied by each entity and the number of staff employed.

Mr P R Harrison is Chairman of the Foundation and Beneficiary of the "B" Settlement.

In April 2003 an agreement was made between the Foundation and the P R Harrison "A" Settlement whereby the "A" Settlement supplies staffing to the Foundation. Mrs J Harrison -Lee is a beneficiary of the "A" Settlement.

#### 9. Legal and administrative details

The Legal and Administrative Information set out after the title page forms part of the Report. The financial statements comply with current statutory requirements, the Trust Deed, and the Statement of Recommended Practice "Accounting and Reporting by Charities" SORP 2000. The Foundation is constituted under a Trust Deed dated 29 April 1999 and was registered as a charity in England and Wales on 15 July 1999 under registration number 1076579. The governing body is the Board of Trustees. Trustees are appointed by the founders of the Foundation.

#### 10. Risk management

The Trustees have examined the major strategic, business and operational risks involved in the Foundation's activities and are satisfied that appropriate systems have been established to enable regular reports to be produced so that the necessary steps can be taken to mitigate these risks.

# THE PETER HARRISON FOUNDATION

## Report of the trustees for the year ended 31 May 2005 (continued)

### 11. Statement of Trustees' responsibilities

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Foundation's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Charities Act 1993. 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.

### 12. Auditors

BDO Stoy Hayward LLP resigned on 31 January 2005 and Kingston Smith were appointed in their place.

**On behalf of the Board**

**P R Harrison**  
**Chairman**

..... **Date** .....

# THE PETER HARRISON FOUNDATION

## Report of the independent auditors to the trustees of The Peter Harrison Foundation

### To the Trustees of The Peter Harrison Foundation

We have audited the financial statements of The Peter Harrison Foundation for the year ended 31 May 2005 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

### Respective responsibilities of Trustees and Auditors

The trustees' responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

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 regulatory requirements and United Kingdom Auditing Standards.

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 Trustees' 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 Trustees' 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 misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### Basis of audit option

We conducted our audit in accordance with United Kingdom Auditing Standards 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 trustees 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 of the state of the charity's affairs as at 31 May 2005 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

Kingston Smith  
Chartered Accountants  
And Registered Auditors

Surrey House  
36-44 High Street  
Redhill  
Surrey RH1 1RH

Date:

## THE PETER HARRISON FOUNDATION

### Statement of financial activities for the year ended 31 May 2005 Including an Income and Expenditure Account

	Notes	2005 Unrestricted Income Fund £	2005 Expendable Capital Endowment Fund £	2005 Total £	2004 Total £
<b>Incoming resources</b>					
Donations received	2	18,500	-	18,500	25,000
Income from investments and cash deposits	3	1,493,733	-	1,493,733	1,189,728
<b>Total incoming resources</b>		<u>1,512,233</u>	<u>-</u>	<u>1,512,233</u>	<u>1,214,728</u>
<b>Resources expended</b>					
Charitable expenditure:					
Grants payable	4	1,285,160	-	1,285,160	1,156,908
Support costs	5	90,411	-	90,411	92,890
Management and administration costs	5	54,577	-	54,577	64,758
<b>Total resources expended</b>		<u>1,430,148</u>	<u>-</u>	<u>1,430,148</u>	<u>1,314,556</u>
<b>Net incoming/(outgoing) funds for year</b>		82,085	-	82,085	(99,828)
Unrealised gain/(loss) on investment assets	10	14,700	-	14,700	(11,800)
<b>Net movement in funds</b>		96,785	-	96,785	(111,628)
<b>Total Unrestricted and Endowment funds brought forward</b>		<u>(69,511)</u>	<u>30,591,417</u>	<u>30,521,906</u>	<u>30,633,534</u>
<b>Total Unrestricted and Endowment funds carried forward</b>		<u>27,274</u>	<u>30,591,417</u>	<u>30,618,691</u>	<u>30,521,906</u>

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of financial activities for the year.

The notes on pages 8 to 14 form part of these financial statements.

# THE PETER HARRISON FOUNDATION

## Balance Sheet at 31 May 2005

	Note	2005 £	2005 £	2004 £	2004 £
<b>Fixed assets</b>					
Tangible fixed assets	9		7,809		12,625
Investments	10		1,002,900		988,200
			<hr/>		<hr/>
			1,010,709		1,000,825
<b>Current assets</b>					
Debtors, accrued income and prepayments	11	146,520		77,476	
Cash at bank and in hand					
- Cash and bank balances		889,032		266,316	
- Short term deposits		29,734,099		30,332,360	
		<hr/>		<hr/>	
		30,769,651		30,676,152	
<b>Creditors: amounts falling due within one year</b>					
Charitable grants awarded and committed, not yet distributed	4/12a	(1,149,887)		(1,139,335)	
Other creditors	12b	(11,782)		(15,736)	
		<hr/>		<hr/>	
		(1,161,669)		(1,155,071)	
<b>Net Current assets</b>			29,607,982		29,521,081
			<hr/>		<hr/>
<b>Total Net Assets</b>			30,618,691		30,521,906
			<hr/> <hr/>		<hr/> <hr/>
Represented by:					
<b>Capital funds</b>					
Capital fund	13a	30,001,000		30,001,000	
Expendable endowment gift	13a	590,417		590,417	
		<hr/>	30,591,417	<hr/>	30,591,417
<b>Income fund</b>					
Unrestricted Income fund	13b		27,274		(69,511)
			<hr/>		<hr/>
<b>Total net capital and income funds carried forward</b>			30,618,691		30,521,906
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 8 to 14 form part of these financial statements.

These financial statements were reviewed and approved by the Board of Trustees, on

2005.

**Mr P R Harrison FCA**  
Chairman

**Mr P J G Lee LLB**  
Trustee

# THE PETER HARRISON FOUNDATION

## Notes forming part of the financial statements for the year ended 31 May 2005

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, and are in accordance with applicable accounting standards, and the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued by the Accounting Standards Board in October 2000 ("SORP 2000"). The following principal accounting policies have been applied:

#### *Incoming resources*

Income is accounted for gross in the period in which the Foundation is entitled to receipt.

#### *Intangible income*

Donated facilities such as office space have been valued by the Trustees at £18,500 and included in grants and donations received. An equivalent amount has been included as expenditure.

#### *Resources expended*

All expenditure is included on an accruals basis.

Support costs comprise costs for processing grant applications, including support to actual and potential applicants. Management and administration costs comprise costs for running the charity itself as an organisation. Where costs can not be directly attributed to either of these categories it is estimated, based on activity levels, that 50% of staff costs and 80% of other costs are attributable to support costs with the balance to management and administration.

#### *Charitable Grants charged in the year are as follows:*

- (a) Awarded by the Trustees, and all contractual conditions met in the year.
- (b) Awarded by the Trustees in the previous year for which the contractual terms have been met in the current year.

#### *Tangible fixed assets and depreciation*

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Computer and office equipment	-	25% straight line
Office fixtures and furnishings	-	15% straight line

Donated assets are included at the donor's cost.

#### *Fixed asset investments*

Investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

#### *Expendable endowment funds*

Where funds are given to be held as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trust terms provide for conversion of capital to income under certain circumstances.

Of the endowment funds, £590,417 is restricted to expenditure subject to the donor's approval.

## THE PETER HARRISON FOUNDATION

Notes forming part of the financial statements for the year ended 31 May 2005 (*continued*)

### 2 Endowment and donations received

	2005 £	2004 £
Donation for use of Foundation House on 'rent free' basis by the Peter Robert Harrison 1997 'B' Settlement	18,500	25,000

P R Harrison is a Trustee of the Foundation and beneficiary of the 'B' Settlement.

### 3 Income from investments and cash deposits

	2005 £	2004 £
Interest receivable gross from bank deposits, other deposit accounts and fixed asset investments	1,493,733	1,189,728

### 4 Charitable grants

	2005 Unrestricted Income Fund (Contracted) £	2004 Unrestricted Income Fund (Contracted) £
<b>Reconciliation of grants provided or reserved:</b>		
Grants contracted for in current year:		
Opportunities through Sport	744,727	590,903
Special Needs and Care for Children and Young People	289,640	184,929
Opportunities through Education	223,158	207,286
Trustees' Discretion	53,635	195,187
<u>Total grants awarded</u>	1,311,160	1,178,305
Less grants awarded in previous years not taken up	(26,000)	(21,397)
Grants payable in year	1,285,160	1,156,908
Add grants awarded and contracted in previous year but not yet paid at year end	1,139,335	1,174,817
Grants paid during the year	2,424,495 (1,274,608)	2,331,725 (1,192,390)
Grants provided and contracted for but not paid at 31 <sup>st</sup> May 2005	1,149,887	1,139,335

A detailed list of grants awarded is given in Appendix 1 attached to these financial statements.

**Commitments:** In addition to the amounts committed and accrued noted above, the Trustees also authorise certain grants that are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued at 31 May 2005 was £56,276 (FY 2004 £70,000).

**THE PETER HARRISON FOUNDATION**

Notes forming part of the financial statements for the year ended 31 May 2005 (*continued*)

**5 Management and grant making support costs**

	<b>Support Costs £</b>	<b>Management &amp; Admin £</b>	<b>Total 2005 £</b>	<b>Total 2004 £</b>
<b>Staff costs</b>				
Staff remuneration, employers NI	38,045	38,046	76,091	75,771
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Other direct costs</b>				
Audit fees	-	4,460	4,460	10,048
Professional fees	-	400	400	3,114
Bank charges	-	160	160	105
Investment bond charges	-	-	-	1,250
Travel	6,319	-	6,319	5,582
	<hr/>	<hr/>	<hr/>	<hr/>
	6,319	5,020	11,339	20,099
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total staff and other direct costs</b>	44,364	43,066	87,430	95,870
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Other allocated costs</b>				
Office rental	14,800	3,700	18,500	25,000
Premises management	5,444	1,361	6,805	6,440
Rates	6,534	1,634	8,168	7,808
Insurance	178	45	223	436
Consultancy	3,020	755	3,775	-
Computer network & telephone support	5,292	1,323	6,615	4,238
Office equipment & maintenance	466	116	582	1,589
Printing, postage & stationery	1,090	273	1,363	2,571
Phone	1,334	333	1,667	2,229
Office running costs	1,577	394	1,971	1,986
Subscriptions	1,190	297	1,487	1,354
Training	12	3	15	404
Depreciation	5,110	1,277	6,387	7,723
	<hr/>	<hr/>	<hr/>	<hr/>
	46,047	11,511	57,558	61,778
	<hr/>	<hr/>	<hr/>	<hr/>
	90,411	54,577	144,988	157,648
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## THE PETER HARRISON FOUNDATION

### Notes forming part of the financial statements for the year ended 31 May 2005 (*continued*)

#### 6 Trustee remuneration

No Trustee received any remuneration.

Trustees were reimbursed for expenses incurred on the activities of the Foundation as follows:

	2005	2004
	£	£
P R Harrison	-	-
J E Harrison	-	-
J C Harrison-Lee	-	76
P J G Lee	-	76
	<hr/>	<hr/>
	-	152
	<hr/> <hr/>	<hr/> <hr/>

#### 7 Net outgoing resources

The net outgoing resources of the Unrestricted Fund are stated after charging/(crediting) the following items:

	2005	2004
	£	£
Depreciation	6,387	7,723
Gross salaries	68,428	68,322
Employers national insurance	7,663	7,449
Audit fee - current year	5,600	10,048
- Prior year provision written back	(1,140)	-
Professional fees	400	3,114
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>

#### 8 Staff numbers and costs

The average number of persons employed by the Foundation during the year was 4 (2004:4).

The aggregate payroll costs of these persons were as follows:

	2005	2004
	£	£
Wages and salaries	68,428	68,322
Social security costs	7,663	7,449
	<hr/>	<hr/>
	76,091	75,771
	<hr/> <hr/>	<hr/> <hr/>

No employee's emoluments exceeded £50,000 for the year.

**THE PETER HARRISON FOUNDATION**

**Notes forming part of the financial statements for the year ended 31 May 2005 (continued)**

**9 Tangible fixed assets**

	Office fixtures and furnishings £	Computer and office equipment £	Total £
<i>Cost</i>			
At 1 June 2004	26,500	31,047	57,547
Additions	114	1,457	1,571
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 May 2005	26,614	32,504	59,118
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 June 2004	17,305	27,617	44,922
Provided for the year	4,044	2,343	6,387
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 May 2005	21,349	29,960	51,309
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 May 2005	5,265	2,544	7,809
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 May 2004	9,195	3,430	12,625
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**10 Fixed asset investments**

	2005 £	2004 £
Investment at 1 June 2004	988,200	1,000,000
Unrealised investment gain/(loss) at 31 May 2005	14,700	(11,800)
	<hr/>	<hr/>
Market value at 31 May 2005	1,002,900	988,200
	<hr/> <hr/>	<hr/> <hr/>
Historical cost at 31 May 2005	1,000,000	1,000,000
	<hr/> <hr/>	<hr/> <hr/>

The investment is a bond, Kreditanstalt fuer Wiederaufbau 4.8% 2003-2006

**11 Debtors, accrued income and prepayments**

	2005 £	2004 £
Accrued interest receivable – gross	136,560	72,000
Other debtors and prepayments	9,960	5,476
	<hr/>	<hr/>
	146,520	77,476
	<hr/> <hr/>	<hr/> <hr/>

**THE PETER HARRISON FOUNDATION**

Notes forming part of the financial statements for the year ended 31 May 2005 (*continued*)

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

**12a Charitable grants awarded, not yet distributed**

	<b>2005</b> £	<b>2004</b> £
Grants approved and contracted, payable in subsequent year (note 4)	1,149,887	1,139,335

**12b Other creditors**

	<b>2005</b> £	<b>2004</b> £
Trade creditors	2,928	1,607
Other taxes and social security costs	2,854	2,727
Other creditors and accruals	6,000	11,402
	<u>11,782</u>	<u>15,736</u>

**13 Movement in funds**

	<b>At 1 June 2004</b>	<b>Incoming resources</b>	<b>Operating costs</b>	<b>Grants provided and contracted in year</b>	<b>At 31 May 2005</b>
	£	£	£	£	£
<b>13a Capital Fund :</b>					
Original endowment gift Note (a)	30,001,000	-	-	-	30,001,000
Further Expendable endowment gift Note (b)	590,417	-	-	-	590,417
<b>13b Income Fund :</b>					
Unrestricted funds	(69,511)	1,526,933	(144,988)	(1,285,160)	27,274
	<u>30,521,906</u>	<u>1,526,933</u>	<u>(144,988)</u>	<u>(1,285,160)</u>	<u>30,618,691</u>

**Note (a)** The original endowment gift capital may be distributed at the Trustees discretion, but the current policy is to retain the Capital Fund and create the maximum Income Fund generation for grant distribution in each year.

**Note (b)** The further expendable endowment gifts are those where the trust terms provide for conversion of capital to income under certain circumstances.

## THE PETER HARRISON FOUNDATION

Notes forming part of the financial statements for the year ended 31 May 2005 (*continued*)

### 14 Analysis of net assets between funds

	Original Endowment fund £	Expendable Endowment fund £	Unrestricted Income fund £	Total funds £
Fixed assets	-	-	1,010,709	1,010,709
Current assets	30,001,000	590,417	178,234	30,769,651
Current liabilities	-	-	(1,176,669)	(1,176,669)
	<hr/>	<hr/>	<hr/>	<hr/>
	30,001,000	590,417	12,274	30,603,691
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

### 15 Related party transactions

During the year the Foundation operated from the 2nd Floor, Foundation House, 42-48 London Road, Reigate, RH2 9QQ, under a rent-free terminable agreement. The freehold building is owned by the P R Harrison 1997 “B” Settlement. This has been valued at a £18,500 saving per annum in rent to the Foundation.

An agreement has been made between the Foundation and the “B” Settlement that the occupation by the “B” Settlement and the Foundation of the shared office is based on the space occupied by each entity and the number of staff employed.

During the year the Foundation was charged, under this agreement, £6,805 (2004: £6,440) for service charges for Foundation House, £8,168 (FY - 2004: £7,808) for rates and £223 (FY 2004: £436) for insurance.

Mr P R Harrison is Chairman of the Foundation and Beneficiary of the “B” Settlement.

In April 2003 an agreement was made between the Foundation and the P R Harrison “A” Settlement whereby the “A” Settlement supplies staffing to the Foundation. During the year under review the Foundation was charged, under this agreement, £1,979 (FY 2004: £464). In addition the Foundation recharged the P R Harrison ‘A’ and ‘B’ Settlements £2,585 and £5,104 respectively (FY 2004 £732 and £3,524) for services of Foundation staff utilised by the ‘A’ and ‘B’ Settlements.

Mrs J Harrison –Lee is a beneficiary of the “A” Settlement.

THE PETER HARRISON FOUNDATION  
GRANTS AWARDED 1<sup>st</sup> JUNE 2004 – 31<sup>st</sup> MAY 2005

**TOTAL GRANTS AWARDED FOR 2004/05**

	£
Opportunities Through Sport	744,727
Special Needs and Care for Children and Young People	289,640
Opportunities Through Education	223,158
Trustees' Discretion	53,635
<b><u>Total grants awarded</u></b>	<b><u>£1,311,160</u></b>
Less grants awarded in previous years not taken up	<u>(26,000)</u>
<b><u>Grants payable in year</u></b>	<b><u>£1,285,160</u></b>

<b>OPPORTUNITIES THROUGH SPORT</b>				
<b>CHARITY AND PROJECT</b>	<b>REFS</b>	<b>PURPOSE OF GRANT/PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
LOUGHBOROUGH UNIVERSITY Loughborough Centre for Disability Sport	236/541	To fund Year 1 of a 5-year joint development project with the University to establish a Centre to raise awareness of and to develop disability sport	Leicestershire/ Nationwide	150,000 for Year 1
ROYAL SCHOOL FOR THE DEAF AND COMMUNICATION DISORDERS Regional Centre for Disability Sport	508/577	To purchase the equipment for a sports hall extension and a new fitness/gymnastic suite	Cheadle Hulme, Manchester	61,386
YOUTH SPORT TRUST TOP Sportsability (Phase 2)	53/642	To enable the Trust to deliver its Sportsability programme to 500 mainstream schools	Nationwide	56,500
THE BRAE PARTNERSHIP	506/575	Towards the building and running costs of a new riding centre for people with disabilities	Dundee, Scotland	50,000
THE CALDECOTT FOUNDATION The Hope Appeal	513/582	Towards the construction of a new sport and drama community hall at the Caldecott residential school for young people who are disadvantaged	Kent	30,000
DISCOVERY 80 LTD. Learning through Water-Based Activity	488/553	Towards a programme of water-based activities to introduce young people with disabilities to water-based sport	County Fermanagh, Northern Ireland	34,500 over 3 years
OXFORD UNIVERSITY DEVELOPMENT TRUST Community Outreach Programme	509/578	Towards a 2-year programme which will use the sports facilities at Oxford and Oxford Brooke Universities to offer sporting opportunities to people with disabilities	Oxfordshire and Berkshire	31,000 over 2 years
COMMUNITIES UNITED	478/540	To provide opportunities for young women aged 10-25 to participate in sport and health related activities	Huddersfield, Dewsbury and Batley	30,000
DRUG ABUSE RESISTANCE (UK) LTD. DARE Racing	468/528	Towards a 3-year drug awareness/diversionary programme encouraging young people to engage in cycling	Nottinghamshire	30,000 over 3 years
ORMISTON CHILDREN AND FAMILIES TRUST Sporting Chances - Ability	460/517	Towards a 3-year programme of specialised sports sessions and activities for young people with disabilities	East Anglia	30,000 over 3 years
SWADELANDS SCHOOL PE and Sport Capital Building Programme	524/594	To enable the school to reach its fundraising target in order to claim a Big Lottery Fund grant for a new multi-gym and dance facility, which will have wide community use	Kent	30,000
BRITISH PARALYMPIC ASSOCIATION	452/631	To enable the GB Wheelchair Curling Club to participate in the March 2006 Winter Paralympics	Nationwide	29,650
JUBILEE SAILING TRUST Lord Nelson and Tenacious	68/592	Towards the maintenance and operating costs of the tall ships Lord Nelson and Tenacious	Nationwide	25,000

<b>OPPORTUNITIES THROUGH SPORT</b>				
<b>CHARITY AND PROJECT</b>	<b>REFS</b>	<b>PURPOSE OF GRANT/PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
LOCAL SOLUTIONS Merseysport	346/645	Continuation funding for a watersports activity programme for young people with disabilities and young people who are disadvantaged	Liverpool, Merseyside	25,000 over 2 years
TRINITY SAILING TRUST Three Ships Appeal	503/572	To replace the bulwarks and stanchions on one of the Trust's sailing trawlers to enable the Trust to continue its sail training/experience for young people with disabilities and young people who are disadvantaged	Nationwide	25,000
ENGLISH SPORTS ASSOCIATION FOR PEOPLE WITH LEARNING DISABILITIES Opening the Door to Competitive Sport	81/546	Towards a 3-year programme to increase the sporting opportunities in athletics, basketball, netball, table tennis and swimming available to young people with learning disabilities	England-wide	24,000 over 3 years
BOWLES ROCKS TRUST LTD.	537/611	To enable four groups from four local schools for young people with disabilities to attend a 5-day sporting/adventure development course	Tunbridge Wells, East Sussex	13,601
RYDER-CHESHIRE VOLUNTEERS Didcot Disabled Swimming Group	284/630	Towards the running costs of a swimming group for people with disabilities	South Oxfordshire	11,168 over 3 years
ACTION FOR BLIND PEOPLE Actionnaires Club	43/638	Towards the running costs of a new sports club for young people who have visual impairments	Chelmsford, Essex	12,020 over 2 years
SOUTH LAKELAND LEISURE Watersports facilities on Windermere	512/581	Towards the purchase of watersports equipment for use by young people	Kendal and Windermere	9,666
SAINTS IN THE COMMUNITY CHARITABLE TRUST From the Streets to the Pitch	470/530	To promote football for young people in the Thornhill area of Southampton as a means of achieving social inclusion	Southampton	9,460
FRIENDS OF ORCHARD HILL COLLEGE Sports Equipment	525/595	Towards the purchase of equipment to enable students with severe disabilities to participate in a range of sports	Wallington, Surrey	9,293
SOUTH BUCKINGHAMSHIRE RIDING FOR THE DISABLED GROUP New Pony and Tack	555/634	To buy a pony and tack	South Buckinghamshire	5,000
SPLASH TORS Project	547/623	To fund a 5-week course offering sports activities for young people with disabilities	Devon	3,468
LOUGHBOROUGH UNIVERSITY Harrison Sports Scholarships for Students with Disabilities	236/601	To fund one of the students for a further year	Loughborough, Leicestershire	3,000

<b>OPPORTUNITIES THROUGH SPORT</b>				
<b>CHARITY AND PROJECT</b>	<b>REFS</b>	<b>PURPOSE OF GRANT/PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
SPECIAL OLYMPICS WEST MIDLANDS REGION Race meeting and purchase of rugby shirts	434/485	Towards the cost of hosting the race meeting and to provide young people with club shirts	Birmingham and area	2,500
THE CEDAR CENTRE Young Volunteer Programme	480/544	To fund five young people to take RYA Level 1 and 2 sailing courses, enabling them to qualify as RYA sailing instructors and to work as volunteers at the Docklands Sailing Centre	Isle of Dogs	1,800
ASHGATE CROFT PARENTS, STAFF AND FRIENDS ASSOCIATION	471/531	To purchase floor mats for Ashgate Croft Special School to enable a programme of exercise/sport	Chesterfield, Derbyshire	1,715
<b>28 GRANTS</b>			<b>TOTAL</b>	<b>744,727</b>

<b>SPECIAL NEEDS AND CARE FOR CHILDREN AND YOUNG PEOPLE</b>				
<b>CHARITY AND PROJECT</b>	<b>REFS</b>	<b>PURPOSE OF GRANT/PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
CHAILEY HERITAGE SCHOOL Development of the School Primary Department	589/643	To fit out a classroom in the new Primary Department at a special day and residential school for young people with complex physical disabilities and severe learning and sensory difficulties - as part of a larger development programme	Chailey, East Sussex	56,400
BAG BOOKS LIMITED The BEAM Project	504/573	To enable the production and distribution of 6 new multi-sensory "books" for young people with profound learning and physical disabilities	South East	45,000 over 3 years
THE MARY HARE FOUNDATION Performing Arts, Conference and Education Centre	473/533	To build and equip a Music teaching room within a new Performing Arts, Conference and Education Centre at the Mary Hare Grammar School for young people who are profoundly deaf	Berkshire	42,000
WHITE LODGE CENTRE "Space to Be Me" Appeal	548/624	To construct one (of six) bedrooms to provide respite care for young people with disabilities - as part of a larger development programme	Chertsey, Surrey	41,160
MILTON KEYNES SPECIAL NEEDS ADVANCEMENT PROJECT New Centre Appeal	437/488	Towards the building of a new purpose-built centre offering work preparation and life skills training to people with learning difficulties and other special needs	Milton Keynes	30,000
YOUNG ENTERPRISE SOUTH EAST Team Enterprise	5557/636	To fund the position of Team Manager to run an enterprise programme for young people with disabilities, special needs, and young people who are behaviourally and emotionally disturbed	Surrey	24,000 over 3 years
THE GRANGE CENTRE The Coach House (Vocational Creative Textile Project) Development	543/619	Towards the construction and equipment cost of a new Craft Area - as part of a larger development programme	Bookham, Surrey	15,000
SENSE (THE NATIONAL DEAFBLIND AND RUBELLA ASSOCIATION) Group Home for Deaf Blind Young People in Ramsgate	32/637	To furnish the Home's five bedrooms (including one for staff) and the sitting room	Ramsgate, Kent	13,580
ORBIT SHED Inclusive Theatre Project	549/626	Towards the running costs of a weekly inclusive theatre group	Reigate, Redhill and area	10,000
PARK HOUSE SCHOOL AND SPORTS COLLEGE Personalised Learning	516/585	To purchase 10 laptops for students with special educational needs	Newbury, Berkshire	7,500
THE LEONARD CHESHIRE FOUNDATION Simply Unique	138/640	To fund the fixtures and fittings for a new arts and craft studio - as part of a larger development programme	Farnham, Surrey	5,000
<b>11 GRANTS</b>			<b>TOTAL</b>	<b>289,640</b>

<b>OPPORTUNITIES THROUGH EDUCATION</b>				
<b>CHARITY AND PROJECT</b>	<b>REFS</b>	<b>PURPOSE OF GRANT/PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
REIGATE GRAMMAR SCHOOL Harrison Scholars	563/648	Bursary places for 3 students from the Reigate and Redhill area	Surrey	58,158
<i>CHRIST'S COLLEGE New Building Project Grant approved in 2003/04 but subject to the recipient fulfilling certain conditions - therefore authorised but not accrued at 31<sup>st</sup> May 2004.</i>	450/502	Towards the capital development costs of a new building complex	Guildford, Surrey	50,000
<i>BOWRING COMPREHENSIVE SCHOOL, HUTON, LIVERPOOL Specialist School</i>	493/560	Funding for school aiming to achieve specialist Sports status	North West	15,000
<i>CHRIST THE KING SCHOOL, PRESTON, LANCASHIRE Specialist School</i>	494/561	Funding for school aiming to achieve specialist Maths and Computing status	North West	20,000
<i>COPLEY HIGH SCHOOL, STALYBRIDGE, CHESHIRE Specialist School</i>	495/562	Funding for school aiming to achieve specialist Maths and Computing status	North West	15,000
<i>ERITH SCHOOL, ERITH, KENT Specialist School</i>	496/563	Funding for school aiming to achieve specialist Sport and Mathematics & Computing status	South East	10,000
<i>KASKENMOOR SCHOOL, OLDHAM, LANCASHIRE Specialist School</i>	497/564	Funding for school aiming to achieve specialist Performing Arts status	North West	15,000
<i>OFFERTON HIGH SCHOOL, STOCKPORT, CHESHIRE Specialist School</i>	498/565	Funding for school aiming to achieve specialist Business and Enterprise status	North West	15,000
<i>PENKETH HIGH SCHOOL, WARRINGTON, CHESHIRE Specialist School</i>	499/566	Funding for school aiming to achieve specialist Visual Arts status	North West	15,000
<i>TUNBRIDGE WELLS HIGH SCHOOL, TUNBRIDGE WELLS, KENT Specialist School</i>	492/559	Funding for school aiming to achieve specialist Technology status	South East	10,000
<b>10 GRANTS</b>			<b>TOTAL</b>	<b>223,158</b>

<b>TRUSTEES' DISCRETION</b>				
<b>CHARITY AND PROJECT</b>	<b>REFS</b>	<b>PURPOSE OF GRANT/PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
ST BEDE'S SCHOOL Sports Centre Redevelopment Grant approved in 2003/04 but subject to the recipient fulfilling certain conditions - therefore authorised but not accrued at 31 <sup>st</sup> May 2004.	461/518	Towards the capital development costs of a new Sports Hall	Redhill, Surrey	20,000
DISASTERS EMERGENCY COMMITTEE Tsunami Earthquake Appeal	540/614	Donation to the Tsunami Earthquake Appeal	International	10,000
THE "BOUNCE BACK" APPEAL Fundraising Appeal	518/587	To fund one specialist spinal injuries bed for the Neurological Research Fund of Frenchay Hospital	Bristol	10,000
MAYOR'S CHARITY APPEAL 2004/05 Macmillan Cancer Relief and The Woodland Trust	94/616	Donation to the Mayor of Reigate and Banstead Borough Council's Charity Appeal in support of Macmillan Cancer Relief and The Woodland Trust	Nationwide	3,000
REIGATE PRIORY SCHOOL Art in the Friendship Garden	558/641	To fund an Art project to enhance a new garden at the school	Reigate, Surrey	2,635
MAYOR'S TRUST 2004/05 General Charitable Purposes	94/617	Donation to the Mayor of Reigate and Banstead Borough Council's Trust to support general charitable purposes within the Borough	Reigate and Banstead area	2,000
SOFAST 2004 Stride Out for Addenbrooke's and Sargent Together	514/583	Sponsorship for a fundraising event to benefit Addenbrooke's Hospital Children's Services and Sargent Cancer Care for Children	Nationwide	2,000
THE GUIDE ASSOCIATION Foxlease Training and Activity Centre	490/555	Donation to the Training and Activity Centre Appeal	South East	1,000
EXPRESS LINK UP Sponsorship for a London Marathon participant fundraising for Express Link Up	501/569	To provide laptop computers for the Paediatric Unit at Leeds General Infirmary	Yorkshire	1,000
TRUST FOR CHERNOBYL CHILDREN Christmas 2004 Shoebox Gifts	451/597	To provide Christmas gifts for children in an orphanage	Belarus	750
THE ROYAL BRITISH LEGION Poppy Appeal	527/598	Donation to the Poppy Appeal	Nationwide	500
ACTION ON ADDICTION Sport Against Addiction	511/580	Sponsorship for the FIFA 100 Exhibition event	London	250
THE NATIONAL KIDNEY RESEARCH FUN Great North Run	521/590	Sponsorship for a fundraising event	Nationwide	250
BRITISH PARALYMPIC ASSOCIATION British Olympic and Paralympic Sailing Team	452/568	Contribution to the "Sail for Gold" Fundraising Ball	Nationwide	150
LINGFIELD & DISTRICT GROUP OF THE RIDING FOR THE DISABLED ASSOCIATION Running Expenses	542/618	Contribution to general running costs	Surrey	100
<b>15 GRANTS</b>			<b>TOTAL</b>	<b>53,635</b>