

**The Peter Harrison Foundation**

Report and Financial Statements

Year Ended

31 May 2006



# **THE PETER HARRISON FOUNDATION**

## **Annual report and financial statements for the year ended 31 May 2006**

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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  
Bank of Scotland, 11 Earl Grey Street, Edinburgh, EH3 9BN

### **Auditors**

Kingston Smith LLP, 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 2006**

The Trustees of the Peter Harrison Foundation present their report together with the accounts for the year ended 31 May 2006.

### **1. Structure, governance and management**

The Foundation was established by Trust Deed on 29 April 1999 with an original capital gift of £1,000 as the initial Capital fund. A donation from the Founder of £386,401 was 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. A review of future investment policy has been commissioned and prepared by Jewson Associates and their report is being considered.

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.

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.

The trustees meet at least three times a year when they review the operation of the Foundation and consider grant applications. The trustees delegate the day to day running of the Foundation to the Foundation Director who reports to the trustees. A small team of staff supports the Director and during the year there was one part-time Grants Officer/Charity Administrator and one part-time Bookkeeper.

### **2. Objectives and activities**

#### **Objects, aims and objectives**

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 Foundation aims to:

- help disabled people or disadvantaged children/young people, principally through sport and education;
- support charitable activities which are well planned and demonstrate a high level of community involvement;
- fund projects where their grant will make a substantial difference to the charity funded; and
- support projects that are likely to have a sustainable impact.

The Foundation's objectives do not change from year to year and these are to:

- maintain the capital fund at £30 million;
- maximise income;
- fully distribute the net income;
- investigate thoroughly all requests for grants;

to fund a variety of different projects that meet the Foundation's aims, thus providing help to a wide range of beneficiaries.

## **THE PETER HARRISON FOUNDATION**

### **Report of the trustees for the year ended 31 May 2006 (continued)**

To achieve the stated aims and objectives, the Foundation makes grants of all sizes to registered UK charities working in these areas.

#### **Programmes**

The Foundation has four grant-making programmes:

##### **a) Opportunities Through Sport**

The trustees support sporting activities that provide opportunities for people who are disabled, or for disadvantaged children/ young people, to fulfil their potential and develop personal and life skills. Applications are accepted from charities throughout the United Kingdom.

##### **b) Special Needs & Care for Children and Young People.**

Applications are accepted from charities in the South East of England (excluding London).

##### **c) Education**

This programme supports education initiatives that are of particular interest to the Trustees. These include support towards schools seeking Specialist Schools status and the provision of bursary places for children from the Reigate and Redhill areas in Surrey to enable them to attend Reigate Grammar School. The trustees do not invite applications to this programme.

##### **d) Trustees' Discretion**

This programme supports projects of particular interest to the trustees that may fall outside the Foundation's main aims; such funding is still in accordance with the terms of the Trust Deed. The trustees do not invite applications to this programme.

#### **Grant making policy**

The Foundation only makes grants to registered UK charities and other similarly recognised organisations. The Foundation is listed in all the main directories and databases of grant-makers.

The Trustees have developed publicly available guidelines that set out the details of the grant-making programmes and the application process and this information can be found on the Foundation's website at [www.peterharrisonfoundation.org](http://www.peterharrisonfoundation.org).

The Foundation strongly encourages potential applicants to discuss their proposal with the Charity Administrator before submitting a full application. This policy was introduced with the intention of reducing the administrative burden placed on charities by the application process. All outline projects that meet the funding criteria are assessed by the Director and the Charity Administrator. The Director then undertakes a full review by site visit when considering the more substantial grant applications; smaller applications are assessed by the Director on the telephone. Full applications should only be submitted after the proposal has been discussed with the Foundation Director. The Director prepares reports on all projects for consideration by the trustees and grants are approved by the trustees.

Ongoing projects are monitored on a regular basis and applicants are asked to submit a report on completed projects.

## **THE PETER HARRISON FOUNDATION**

### **Report of the trustees for the year ended 31 May 2006 (continued)**

#### **3. Achievements and performance**

##### **Opportunities Through Sport (£651,872)**

Grants were made to 21 trusts, clubs and other charities throughout the UK, primarily in the field of Disability Sport. The principal awards were:

A grant of £150,000 to Loughborough University, the second annual tranche of funding for the Peter Harrison Centre for Disability Sport.

A grant of £56,276 to The Prince's Trust for a residential learning programme for young people on the Isle of Wight, with a view to their accessing employment in the marine industry.

A grant of £51,750 to EUREKA! The Museum For Children, for a travelling exhibition to encourage sport and physical activity.

A grant of £45,000 to The Percy Hedley Foundation for the employment of a Sports Disability Officer.

A grant of £43,650 to the Bendrigg Trust for the installation of a lift to enable disabled people and wheelchair users to access an indoor climbing wall.

##### **Special Needs & Care for Children and Young People (£256,663)**

Grants were made to 13 charities. The principal awards were:

A grant of £60,000 to the Treloar Trust to fund two bedrooms and associated terrace in the new hall of residence at Treloar College.

A grant of £41,665 to the Queen Elizabeth's Foundation For Disabled People towards the modernisation of facilities at the Brain Injury Centre, Banstead.

A grant of £39,320 to U CANDO IT to fund the extension of IT training to disabled young people in the South East.

A grant of £30,000 to Thrive to fund a vocational training programme for young people with special educational needs.

A grant of £30,000 to The More House Foundation towards completion of the sixth form centre and construction of the performing arts centre at More House School.

##### **Opportunities Through Education (£143,574)**

4 further bursaries, commencing in September 2006, have been granted to deserving pupils at Reigate Grammar School and sponsorship has been offered to the following 4 schools to help them to be able to apply for Specialist School status:

Breeze Hill School, Oldham (Humanities) - £15,000

Cedars Upper School & Community College, Leighton Buzzard (Mathematics And Computing) - £15,000

Falange Park High School, Rochdale (Performing Arts) - £15,000

St George of England High School, Bootle (Engineering) - £15,000

## **THE PETER HARRISON FOUNDATION**

### **Report of the trustees for the year ended 31 May 2006 (continued)**

#### **Trustees' Discretionary Programme (£3,224,409)**

19 grants were made to a variety of charities. The principal awards were:

In July 2005 the Foundation made a grant of £3,000,000 to the National Maritime Museum for the construction of a new planetarium as part of the Museum's Time and Space project. This planetarium is to be called "The Peter Harrison Planetarium". This grant was made possible by a further donation from the Chairman of £3,000,000 to the Foundations restricted income fund.

A grant of £135,115 to the United Kingdom Sailing Academy for the provision of a Yacht Racing Academy at the UK Sailing Academy on the Isle of Wight was made possible by a donation of £135,115 from the Chairman to the Foundations restricted income fund. In addition the Chairman personally donated the use of his sailing boat Chernikeeff 11 loaned for a period of up to three years during which time it is expected to depreciate by £250,000.

A grant of £36,207 to Angus College, Arbroath, to provide equipment for the fitness suite at the new Saltire Sports Centre.

A grant of £12,000 to Reigate Sea Cadets for the provision of a water activity safety boat and related equipment.

A grant of £10,000 to 5 Girls In A Boat as a contribution to the funding of cancer-related projects by an all-girls amateur team in adventurous yacht races.

A grant of £9,000 to Magic Carpet Drama Surrey for the provision of children's drama workshops in Surrey.

The Trustees believe that, taken together, these grants meet the objective of benefiting as varied 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.

#### **4. Future plans**

As regards the future, the Trustees intend to use the income of the Foundation to benefit a wide range of charitable causes of particular interest to them. Grants will continue to be made in the Foundation's four programmes; in deciding on these grants, Trustees will continue to favour projects (both capital and revenue) where support from the Foundation will make a substantial difference in improving the quality of life for people who, for no reason of their own, are experiencing particular disability or disadvantage. Potential projects in the Opportunities Through Sport programme will continue to be considered on a UK-wide basis; and recipients of grants will range from the Paralympics level to programmes of benefit to local communities.

#### **5. Financial review**

##### **(i) Total gross income**

The total gross income for the year amounted to £4,609,891 (FY 2005 - £1,512,233).

The unrestricted income fund received interest and dividends from investments and cash deposits of £1,428,262 (FY 2005 - £1,493,733). Peter Harrison made further specific donations of £3,000,000 to fund a grant to the National Maritime Museum and £135,115 to fund a grant to the UK Sailing Academy. There was a £18,500 donation (FY 2005 - £18,500) from the Peter R Harrison 'B' Settlement in the form of rent-free accommodation and other donations of £1,830.

##### **(ii) Charitable grants awarded**

The Foundation received approximately 600 enquiries for funding during the year.

After due consideration and assessment the Trustees have awarded grants from the Income Funds, for the year of £4,261,518 (FY 2005 - £1,285,160).

## **THE PETER HARRISON FOUNDATION**

### **Report of the trustees for the year ended 31 May 2006 (continued)**

#### **(iii) Grant-making and governance support costs**

Support costs relating to grant making are £122,840 (FY 2005 - £116,171) and support costs relating to governance costs for general running are £28,463, (FY 2005 - £28,817) and results in a total support cost for the year of £151,303 (FY 2005 – £144,988). When added to investment management costs of £13,219 the total operating overheads amounts to £164,522 (FY 2005 – £144,988) or 3.6% of Total Fund income for the financial year 2006 and 11.5% before additional donations from the Chairman (FY 2005 – 9.6%).

#### **6. Reserves policy**

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.

The net annual surplus on Unrestricted Income Fund, after deducting charitable expenditure and expenses, is £154,617 (FY 2005 £96,785). During the year a transfer of interest received on monies held in the Further Expendable Endowment fund was made from the Unrestricted income fund to the Further Expendable Endowment fund of £69,085. After adding the brought forward surplus of £27,274 the Balance Sheet shows a carry forward net income surplus of £112,806 (FY 2005 – £27,274).

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 )

#### **7. 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.

#### **8. 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 2005. 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. The founders of the Foundation appoint trustees.

#### **9. 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 2006 (continued)**

#### **10. 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.

#### **11. Auditors**

On 1<sup>st</sup> May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The charity's consent has been given to treating the appointment of Kingston Smith as extending to Kingston Smith LLP. Kingston Smith LLP have indicated their willingness to continue in office and it is proposed that they be re-appointed auditors for the ensuing year.

**On behalf of the Board**

**Peter 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 2006 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with 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 (United Kingdom Generally Accepted Accounting Practice) 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 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 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, or if information specified by law in respect of trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report 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 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 in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 May 2006 and of its incoming resources and application of resources, including the income and expenditure of the charity for the year then ended: and
- have been properly prepared in accordance with the Charities Act 1993.

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

Kingston Smith LLP  
Chartered Accountants  
and Registered Auditors

Date:

## THE PETER HARRISON FOUNDATION

### Statement of financial activities for the year ended 31 May 2006 Including an Income and Expenditure Account

	Notes	2006 Unrestricted Income Fund	2006 Restricted Income Fund	2006 Expendable Capital Endowment Fund	2006 Total	2005 Total
		£	£	£	£	£
<b>Incoming resources from generated funds</b>						
Donations received	2	20,330	3,135,115	-	3,155,445	18,500
Income from investments and cash deposits	3	1,428,262	-	26,184	1,454,446	1,493,733
<b>Total incoming resources</b>		1,448,592	3,135,115	26,184	4,609,891	1,512,233
<b>Resources expended</b>						
Investment management costs		13,219	-	-	13,219	-
Charitable activities	4	1,249,243	3,135,115	10,000	4,394,358	1,401,331
Governance costs	5	28,463	-	-	28,463	28,817
<b>Total resources expended</b>		1,290,925	3,135,115	10,000	4,436,040	1,430,148
<b>Net incoming funds for year</b>						
Unrealised gain/(loss) on investment assets	10	(3,050)	-	-	(3,050)	14,700
<b>Net movement in funds</b>		154,617	-	16,184	170,801	96,785
Transfer of interest received on Expendable Endowment		(69,085)	-	69,085	-	-
<b>Total Unrestricted and Endowment funds brought forward</b>		27,274	-	30,591,417	30,618,691	30,521,906
<b>Total Unrestricted and Endowment funds carried forward</b>		112,806	-	30,676,686	30,789,492	30,618,691

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 10 to 16 form part of these financial statements.

# THE PETER HARRISON FOUNDATION

## Balance Sheet at 31 May 2006

	Note	2006 £	2006 £	2005 £	2005 £
<b>Fixed assets</b>					
Tangible fixed assets	9		3,513		7,809
Investments	10		999,850		1,002,900
			<hr/>		<hr/>
			1,003,363		1,010,709
<b>Current assets</b>					
Debtors, accrued income and prepayments	11	2,151,885		146,520	
Cash at bank and in hand					
- Cash and bank balances		884,810		889,032	
- Short term deposits		30,134,954		29,734,099	
		<hr/>		<hr/>	
		33,171,649		30,769,651	
<b>Creditors: amounts falling due within one year</b>	12				
Charitable grants awarded and committed, not yet distributed	4/12a	(3,374,877)		(1,149,887)	
Other creditors	12b	(10,643)		(11,782)	
		<hr/>		<hr/>	
		(3,385,520)		(1,161,669)	
<b>Net Current assets</b>			29,786,129		29,607,982
			<hr/>		<hr/>
<b>Total Net Assets</b>			30,789,492		30,618,691
			<hr/> <hr/>		<hr/> <hr/>
Represented by:					
<b>Capital funds</b>					
Capital fund	13a	30,001,000		30,001,000	
Expendable endowment gift	13a	675,686		590,417	
		<hr/>		<hr/>	
			30,676,686		30,591,417
<b>Income fund</b>					
Unrestricted Income fund	13b		112,806		27,274
			<hr/>		<hr/>
<b>Total Net Capital and Income funds carried forward</b>			30,789,492		30,618,691
			<hr/> <hr/>		<hr/> <hr/>

The notes on pages 10 to 16 form part of these financial statements.

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

2006.

**P R Harrison FCA**  
Chairman

**P J G Lee LLB**  
Trustee

# THE PETER HARRISON FOUNDATION

## Notes forming part of the financial statements for the year ended 31 May 2006

### 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 2005 ("SORP 2005"). 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 and governance costs for running the charity itself as an organisation. Where costs cannot be directly attributed to either of these categories it is estimated, based on activity levels, that 84% of other costs are attributable to grant making costs with the balance to governance.

#### *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, £675,686 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 2006 (*continued*)

### 2 Endowment and donations received

	2006 £	2005 £
Donation from Peter Harrison to fund a grant to the National Maritime Museum	3,000,000	-
Donation from Peter Harrison to fund a grant to the UK Sailing Academy	135,115	-
Donation for use of Foundation House on 'rent free' basis by the Peter Robert Harrison 1997 'B' Settlement	18,500	18,500
Other donations	1,830	-
	<u>3,155,445</u>	<u>18,500</u>
P R Harrison is a Trustee of the Foundation and beneficiary of the 'B' Settlement.		

### 3 Income from investments and cash deposits

	2006 £	2005 £
Interest receivable gross from bank deposits, other deposit accounts and fixed asset investments	<u>1,454,446</u>	<u>1,493,733</u>

### 4 Charitable grants

	2006 Income Funds (Contracted) £	2005 Income Funds (Contracted) £
<b>Reconciliation of grants provided or reserved:</b>		
Grants contracted for in current year:		
Opportunities through Sport	651,872	744,727
Special Needs and Care for Children and Young People	256,663	289,640
Opportunities through Education	143,574	223,158
Trustees' Discretion	3,224,409	53,635
	<u>4,276,518</u>	<u>1,311,160</u>
<u>Total grants awarded</u>	4,276,518	1,311,160
Less grants awarded in previous years not taken up	(15,000)	(26,000)
	<u>4,261,518</u>	<u>1,285,160</u>
Grants payable in year	4,261,518	1,285,160
Support costs for grant making	122,840	116,171
Charitable activities	<u>4,384,358</u>	<u>1,401,331</u>
Add grants awarded and contracted in previous year but not yet paid at year end	1,149,887	1,139,335
	<u>5,534,245</u>	<u>2,540,666</u>
Grants paid during the year	(2,159,368)	(1,390,779)
	<u>3,374,877</u>	<u>1,149,887</u>

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

## THE PETER HARRISON FOUNDATION

### Notes forming part of the financial statements for the year ended 31 May 2006 (*continued*)

**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 2006 was £61,182 to the Princes Trust and £75,000 to the British Paralympic Association making a total of £136,182 (FY 2005 £56,276).

#### 5 Support costs for grant-making and governance

	Grant-making Costs £	Governance Costs £	Total 2006 £	Total 2005 £
<b>Staff costs</b>				
Staff remuneration, employers NI, training and recruitment	73,581	13,653	87,234	76,091
<b>Professional fees</b>				
Audit fees	-	5,981	5,981	4,460
Professional fees	141	693	834	400
	141	6,674	6,815	4,860
<b>Premises costs</b>				
Rent waived by Peter Harrison 1997 B				
Settlement	15,540	2,960	18,500	18,500
Premises management	5,150	981	6,131	6,805
Rates	6,381	1,216	7,597	8,168
	27,072	5,156	32,228	33,473
<b>Office costs</b>	18,438	2,292	20,730	24,177
<b>Depreciation</b>	3,609	687	4,296	6,387
	122,840	28,463	151,303	144,988

## THE PETER HARRISON FOUNDATION

### Notes forming part of the financial statements for the year ended 31 May 2006 (*continued*)

#### 6 Trustee remuneration

No Trustee received any remuneration or was reimbursed for expenses incurred on the activities of the Foundation.

#### 7 Net outgoing resources

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

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Depreciation	4,296	6,387
Gross salaries	76,122	68,428
Employers national insurance	7,838	7,663
Audit fee - current year	5,600	5,600
- Prior year provision written back	-	(1,140)
Professional fees	20,034	400
	<u>200,330</u>	<u>152,918</u>

#### 8 Staff numbers and costs

The average number of persons employed by the Foundation during the year was 4 (2005:4).

The aggregate payroll costs of these persons were as follows:

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Wages and salaries	76,122	68,428
Social security costs	7,838	7,663
	<u>83,960</u>	<u>76,091</u>

No employee's emoluments exceeded £60,000 for the year.

**THE PETER HARRISON FOUNDATION**

Notes forming part of the financial statements for the year ended 31 May 2006 (*continued*)

**9 Tangible fixed assets**

	Office fixtures and furnishings £	Computer and office equipment £	Total £
<i>Cost</i>			
At 1 June 2005	26,614	32,504	59,118
Additions	-	-	-
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 May 2006	26,614	32,504	59,118
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 June 2005	21,349	29,960	51,309
Provided for the year	2,888	1,408	4,296
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 May 2006	24,237	31,368	55,605
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 May 2006	2,377	1,136	3,513
	<hr/>	<hr/>	<hr/>
At 31 May 2005	5,265	2,544	7,809
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**10 Fixed asset investments**

	2006 £	2005 £
Investment at 1 June 2005	1,002,900	988,200
Unrealised investment gain/(loss) at 31 May 2006	(3,050)	14,700
	<hr/>	<hr/>
Market value at 31 May 2006	999,850	1,002,900
	<hr/>	<hr/>
Historical cost at 31 May 2006	1,000,000	1,000,000
	<hr/>	<hr/>

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

**11 Debtors, accrued income and prepayments**

	2006 £	2005 £
Accrued interest receivable – gross	47,122	136,560
Additional donations receivable from Peter Harrison	2,071,012	-
Other debtors and prepayments	33,751	9,960
	<hr/>	<hr/>
	2,151,885	146,520
	<hr/> <hr/>	<hr/> <hr/>

**THE PETER HARRISON FOUNDATION**

Notes forming part of the financial statements for the year ended 31 May 2006 *(continued)*

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

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

	<b>2006</b> £	<b>2005</b> £
Grants approved and contracted, payable in subsequent year (note 4)	3,374,877	1,149,887

**12b Other creditors**

	<b>2006</b> £	<b>2005</b> £
Trade creditors	1,547	2,928
Other taxes and social security costs	2,696	2,854
Other creditors and accruals	6,400	6,000
	<u>10,643</u>	<u>11,782</u>

**13 Analysis of charitable funds**

	<b>At 1 June 2005</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 May 2006</b>
	£	£	£	£	£
<b>13a Capital Fund :</b>					
Original endowment gift	30,001,000	-	-	-	30,001,000
Further Expendable endowment gift	590,417	26,184	(10,000)	69,085	675,686
<b>13b Income Fund :</b>					
Unrestricted funds	27,274	1,448,592	(1,293,975)	(69,085)	112,806
Restricted funds	-	3,135,115	(3,235,115)	-	-
	<u>30,618,691</u>	<u>4,609,891</u>	<u>(4,439,090)</u>	<u>-</u>	<u>30,789,492</u>

**Note:**

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.

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

During the year a transfer of interest received on monies held in the Further Expendable Endowment fund was made from the Unrestricted income fund to the Further Expendable Endowment fund of £69,085.

## THE PETER HARRISON FOUNDATION

Notes forming part of the financial statements for the year ended 31 May 2006 (*continued*)

### 14 Analysis of net assets between funds

	Original Endowment fund £	Expendable Endowment fund £	Unrestricted Income fund £	Restricted Income fund £	Total funds £
Fixed assets	-	-	1,003,363	-	1,003,363
Current assets	30,001,000	675,686	423,951	2,071,012	33,171,649
Current liabilities	-	-	(1,314,508)	(2,071,012)	(3,385,520)
	-----	-----	-----	-----	-----
	30,001,000	675,686	112,806	-	30,789,492
	=====	=====	=====	=====	=====

### 15 Related party transactions

In July 2005 the Foundation made a grant of £3,000,000 to the National Maritime Museum for the construction of a new planetarium as part of the Museum's Time and Space project. This planetarium is to be called "The Peter Harrison Planetarium". This grant was made possible by a donation from Peter Harrison of £3,000,000 to the Foundation.

A grant of £135,115 to the United Kingdom Sailing Academy for the provision of a Yacht Racing Academy at the UK Sailing Academy on the Isle of Wight was made possible by a further donation from Peter Harrison of £135,115 to the Foundation. In addition, Peter Harrison personally donated the use of his sailing boat Chernikeeff 11 loaned for a period of up to three years during which time it is expected to depreciate by £250,000.

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, £6,131 (2005: £6,805) for service charges for Foundation House, £7,597 (FY - 2005: £8,168) for rates and £373 (FY 2005: £223) 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, £718 (FY 2005: £1,979). In addition the Foundation recharged the P R Harrison 'A' and 'B' Settlements £515 and £5,173 respectively (FY 2005 £2,585 and £5,104) for services of Foundation staff utilised by the 'A' and 'B' Settlements.

Mrs J Harrison -Lee is a beneficiary of the "A" Settlement.

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2006**

**TOTAL GRANTS AWARDED FOR 2005/06**

	£
Opportunities Through Education	143,574
Opportunities Through Sport	651,872
Special Needs And Care For Children And Young People	256,663
Trustees Discretion	3,224,409
<b><u>Total grants awarded</u></b>	<b><u>4,276,518</u></b>
Less grants awarded and not taken up	(15,000)
<b><u>Grants payable in year</u></b>	<b><u>4,261,518</u></b>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2006**

<b>OPPORTUNITIES THROUGH EDUCATION</b>				
<b>REFS</b>	<b>CHARITY AND PROJECT</b>	<b>PURPOSE OF GRANT / PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
640/766	HARRISON SCHOLARS 2006	Bursary awards to 4 students at Reigate Grammar School.	South East	£82,824
584/680	BREEZE HILL SCHOOL Specialist School (Humanities)	Sponsorship towards application for Specialist School status.	North West	£15,000
586/682	CEDARS UPPER SCHOOL AND COMMUNITY COLLEGE Specialist School (Mathematics and Computing)	Sponsorship towards application for Specialist School status.	East	£15,000
587/683	FALINGE PARK HIGH SCHOOL Specialist School (Performing Arts)	Sponsorship towards application for Specialist School status.	North West	£15,000
588/684	ST GEORGE OF ENGLAND HIGH Specialist School (Engineering)	Sponsorship towards application for Specialist School status.	North West	£15,000
194/690	HARRISON SCHOLARS 2000 Hockey Tour 2006 – student 2	Towards cost of 2006 Hockey Tour	South East	£500
194/716	HARRISON SCHOLARS 2000 Hockey Tour 2006: student 1	Towards cost of 2006 Hockey Tour	South East	£250
				<b>£143,574</b>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2006**

<b>OPPORTUNITIES THROUGH SPORT</b>				
<b>REFS</b>	<b>CHARITY AND PROJECT</b>	<b>PURPOSE OF GRANT / PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
236/696	LOUGHBOROUGH UNIVERSITY Centre for Disability Sport - Year 2	Continued support for the Peter Harrison Centre for Disability Sport.	East Midlands	£150,000
560/644	THE PRINCE'S TRUST Get into Maritime	Towards a programme to develop young people's skill and confidence through a 6-day residential maritime course.	South East	£56,276
545/621	THE MUSEUM FOR CHILDREN Mission : Active Future	Travelling Exhibition to encourage sport & physical activity in children.	Yorkshire and Humber	£51,750
273/677	THE PERCY HEDLEY FOUNDATION Active Lives for All	Employment of Sports Disability Officer	North East	£45,000 over 3 years
622/737	BENDRIGG TRUST New Activities Hall	The installation of a lift to transport disabled people and wheelchair users to the top of the indoor climbing wall.	North West	£43,650
218/720	DURHAM AREA DISABILITY LEISURE GROUP Salary costs of P/T Project Coordinator	Salary of part -time project co-ordinator	North East	£33,314 over 3 years
601/702	UNITED KINGDOM SAILING ACADEMY Gypsy Moth IV Re-Loaded - 2005/06 Voyage	Towards the cost of the Gypsy Moth voyage in 2005/06.	National	£30,000
566/654	SOUTH DENNISTON NEIGHBOURHOOD CENTRE Refurbishment Programme - Stage 2	To enable the Centre to reach its target for the Sports Hall.	Scotland	£30,000
611/722	HULL COMMUNITY CHURCH Community Centre Rebuilding	Towards the rebuilding of the church's Community Centre, to include a large sports hall and associated equipment.	Yorkshire and Humber	£30,000
54/746	BOLTON LADS & GIRLS CLUB Aiming Higher - Installation of New Climbing Wall	The installation of an indoor roped climbing wall at the club-house.	West Midlands	£27,870
591/687	THE GUILDFORD WATERSIDE CENTRE Making Watersports Accessible to All	Towards the rebuilding of a gymnasium at the Centre as a facility open to able-bodied and disabled.	South East	£25,000
626/741	OCEAN YOUTH TRUST (SOUTH) John Laing Vessel Refit 2006-9	Towards the core costs of refits of the JOHN LAING.	South East	£20,000 over 2 years
595/692	SECOND CHANCES Increased Opportunities	Towards the conversion of Barn and Hoist for Disabled People.	Wales	£18,842
623/738	THE ESSEX AUTISTIC SOCIETY Doucecroft School - Swing and Play Area	Provision of a swing and play area at the school, with a safety surface for year-round sport – and equipment to stimulate and engage the children.	East	£17,558
535/609	CALLINGTON BOWLING CLUB Disabled Access Project	Towards construction work, lighting, entrance doors etc to allow disabled bowlers to access the club and play.	South West	£17,500
627/742	LIFE PATH TRUST LTD New Wave Jet Ski Project	Purchase of 2 Jet Skis for people with learning disabilities.	West Midlands	£15,200
570/658	BRITISH POLIO FELLOWSHIP National Indoor Games	To provide core funding for the Fellowship's National Indoor Games for the next three years.	London	£15,000
620/734	THE LORDS TAVERNERS 2 Wheelchairs for Wheelchair Rugby	Donation towards the purchase of specialised rugby wheelchairs.	London	£10,000
571/660	THE RUGBY PORTOBELLO TRUST Sport at the Rugby Portobello Trust	Equipment for the new sports hall at the Rugby Portobello building.	London	£8,207
577/668	STUBBERS ADVENTURE CENTRE Drascombe Gig	To fund the purchase and installation cost of a wheelchair hoist, and the purchase of an outboard motor.	East	£6,705
				<b>£651,872</b>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2006**

<b>SPECIAL NEEDS AND CARE FOR CHILDREN AND YOUNG PEOPLE</b>				
<b>REFS</b>	<b>CHARITY AND PROJECT</b>	<b>PURPOSE OF GRANT / PROJECT</b>	<b>REGION</b>	<b>GRANT</b>
299/729	TRELOAR TRUST New Hall of Residence at Treloar College	To pay for the cost of 2 bedrooms and associated terrace in the new building	South East	£60,000
35/700	QUEEN ELIZABETH'S FOUNDATION FOR DISABLED PEOPLE Completion of Brain Injury Centre	Towards the modernisation costs of the Brain Injury Centre.	South East	£41,665
34/672	UCANDOIT UCanDoIT South East England	Towards extending individual one-to-one computer training for disabled people.	South East	£39,320 over 3 years
573/662	THE MORE HOUSE FOUNDATION Completion of Sixth Form Centre and Construction of Performing Arts Centre	To help the school reach its funding target towards a capital project for 14 new study bedrooms and a Performing Arts Centre.	South East	£30,000
579/670	THRIVE Vocational Training Programme	Towards the cost of the 3-year pilot vocational horticultural training programme that aims to enable young people aged 14-16 with special educational needs.	South East	£30,000
567/655	THE WINCHESTER YOUNG CARERS PROJECT The Winchester & District Young Carers Project	A 3-year programme to provide an education and training programme in 5 sports: Football, Basketball, Netball, Badminton and Volleyball.	South East	£15,000 over 3 years
107/667	WHIZZ-KIDZ South East Therapist Salary and Costs	Towards the costs of the Mobility Therapist for the South East Region.	South East	£13,862
582/678	DOGS FOR THE DISABLED The Children's Programme	Towards extending the assistance dog service to disabled children	South East	£11,216
432/652	HAMILTON LODGE SCHOOL FOR DEAF CHILDREN Resurfacing Multi-purpose Sports Pitch	Towards resurfacing the Multi Purpose Sports Pitch.	South East	£10,000
572/661	BROADLANDS GROUP RIDING FOR THE DISABLED Provision of Hydraulic Platform	Towards the costs of purchasing and installing a hydraulic platform to enable riders with disabilities to mount more independently.	South East	£5,000
568/656	GATTON PARK EDUCATION TRUST LTD Postcard From Gatton	Towards six all-day visits tailored to benefit children with special needs.	South East	£600
				<b>£256,663</b>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2006**

TRUSTEES DISCRETION				
REFS	CHARITY AND PROJECT	PURPOSE OF GRANT / PROJECT	REGION	GRANT
576/665	NATIONAL MARITIME MUSEUM (note 1) Time and Space (Peter Harrison Planetarium)	The construction of a new planetarium as part of the museum's Time and Space project.	London	£3,000,000 over 3 years
601/748	UNITED KINGDOM SAILING ACADEMY (note 2) GBR Yacht Racing Academy	To fund the GBR Yacht Racing Academy	South East	£135,115
625/740	ANGUS COLLEGE Saltire Sports Development	Towards specialist sports equipment for the new Saltire Centre.	Scotland	£36,207
624/739	REIGATE SEA CADETS Water Activity Safety Boat and Related Equipment	Towards the purchase of a new safety boat for support to the unit's ongoing RYA Dinghy sailing and powerboat training.	South East	£12,000
594/691	5 GIRLS IN A BOAT Scottish Island Peaks Race	Sponsorship, to raise money for cancer-related projects.	Great Britain	£10,000
629/744	MAGIC CARPET DRAMA SURREY Children's Drama Workshops	To provide drama workshops to Surrey schoolchildren who would not normally be exposed to such experiences.	South East	£9,000
635/753	CHASE AT CHRISTOPHER'S Music Project	To provide six two-hour music workshops for very sick children.	South East	£6,240
94/675	MAYOR'S CHARITY APPEAL (REIGATE & BANSTEAD BOROUGH COUNCIL) Charity Appeal 2005/06	Donation to the Mayor of Reigate and Banstead Borough Council's Trust in support of Breakthrough Breast Cancer.	National	£5,000
576/735	NATIONAL MARITIME MUSEUM (note 3) Donation to fundraising event	Towards the National Maritime Museum's fundraising event.	London	£3,000
593/689	GLYN TECHNOLOGY SCHOOL Sponsorship for Rugby Tour 2006	Sponsorship for Rugby Tour 2006	South East	£2,197
456/697	THE WESSEX CHILDREN'S HOSPICE TRUST Donation to fundraising event	Towards the Wessex Children's Hospice Trust's fundraising event.	South East	£1,500
452/713	BRITISH PARALYMPIC ASSOCIATION Donation to fundraising event	Towards the British Paralympic Association's fundraising event.	National	£1,500
634/752	ST GEORGE'S NHS TRUST Linda Bell Memorial	Donation.	London	£1,000
615/727	FURNISTORE Cost of Reprinting Corporate Information Leaflet	Donation.	South East	£520
581/674	HASTE (HEART AND STROKE TRUST ENDEAVOUR) Early Diagnosis and Treatment Centre of Excellence at Royal Surrey County Hospital	Donation.	South East	£500
38/754	THE CHILDREN'S TRUST - TADWORTH Milo Gray Appeal	Donation.	South East	£500
35/659	QUEEN ELIZABETH'S FOUNDATION FOR DISABLED PEOPLE Sponsorship for Platinum Fundraising Ball	Sponsorship for Platinum Fundraising Ball.	South East	£100
38/724	THE CHILDREN'S TRUST - TADWORTH Chelsea Kit for Child at The Children's Trust	Chelsea Kit for Child at The Children's Trust.	South East	£30
				<b>£3,224,409</b>

## Notes:

1. Made possible through further donation of £3,000,000 by the Chairman.
2. Made possible through further donation of £135,115 by the Chairman.
3. £1,500 of this was donated by Julia Harrison-Lee.