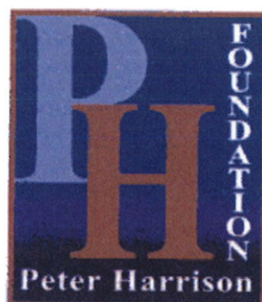


**The Peter Harrison Foundation**

Report and Financial Statements

Year Ended

31 May 2007



# **THE PETER HARRISON FOUNDATION**

## **Annual report and financial statements for the year ended 31 May 2007**

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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, 9 Nelson Street, Bradford BD1 5AN  
UBS AG, 1 Curzon Street, London, W1J 5UB  
Bank of Scotland, Pentland House, 8 Lochside Avenue, Edinburgh, EH12 9DJ

### **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 2007**

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The Trustees of the Peter Harrison Foundation present their report together with the accounts for the year ended 31 May 2007.

### **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 is in progress.

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 Charity Administrator, one part-time Bookkeeper and one part-time Secretary.

### **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 2007 (continued)**

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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 2007 (continued)

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#### 3. Achievements and performance

##### **Opportunities Through Sport (£852,568)**

Grants were made to 23 trusts, clubs and other charities throughout the UK, primarily in the field of Disability Sport. The principal awards were:

A grant of £150,000 over 2 years to support work in producing a successful Great Britain paralympic team.

A grant of £150,000 to Loughborough University, the third year of funding for the Peter Harrison Centre for Disability Sport.

Two grants totalling £135,240 were made to The Prince's Trust for the 2006 and 2007 residential training programmes for young people on the Isle of Wight, with a view to their accessing employment in the marine industry.

A grant of £58,000 to the United Kingdom Sailing Academy to support the GBR Yacht Racing Academy.

A grant of £51,510 to Quarriers in Scotland, to help build a sports hall for disadvantaged young people.

##### **Special Needs & Care for Children and Young People (£401,467)**

Grants were made to 17 charities. The principal awards were:

A grant of £42,674 to Chase Children's Hospice Care for Children to fund their family support and bereavement counselling service.

A grant of £39,258 to Naomi House (The Wessex Children's Hospice Trust) to fund the care team nursing support project.

A grant of £39,229 to SeeAbility to fund a physiotherapy assistant.

A grant of £32,000 to Theodora's Children's Trust to fund the work of the Theodora Clown Doctors at the Children's Trust, Tadworth.

A grant of £28,000 to Skidz, The Wycombe Motor Project to fund a floating support tutor to help disabled and disadvantaged young people learn motor mechanics.

##### **Opportunities Through Education (£149,679)**

One further bursary, commencing in September 2007, was granted to a deserving pupil at Reigate Grammar School and sponsorship has been offered to the following 6 schools to help them to be able to apply for Specialist School status:

Prenton High School for Girls (Science and Art) - £20,000

Sir John Thursby Community College (Languages with a rural dimension) - £20,000

South Chadderton School (Engineering) - £20,000

Bedale High School (Humanities) - £15,000

Ravenscliffe High School (Sports College) - £15,000

Moor Hey School (Maths and ICT) - £10,000

## **THE PETER HARRISON FOUNDATION**

### **Report of the trustees for the year ended 31 May 2007 (continued)**

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#### **Trustees' Discretionary Programme (£385,128)**

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

A grant of £250,000 was made to the National Maritime Museum for additional construction costs associated with the Peter Harrison Planetarium, part of the Museum's Time and Space project. This grant was made possible by a further donation from the Chairman of £250,000 to the Foundation.

A grant of £60,000 to the Watt Gallery to support the post of Head of Learning under the "Art for All" project.

A grant of £15,218 to the London Symphony Orchestra to support their music makers project at the Richard Cloudsley School.

A grant of £15,000 to Magic Carpet Drama to support a series of children's drama workshops across Surrey.

A grant of £13,000 to the Bridge School to support installation of an electronic wheelchair tracking system in the school.

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 £1,875,868 (FY 2006 - £4,609,891).

The unrestricted income fund received interest and dividends from investments and cash deposits of £1,593,568 (FY 2006 - £1,428,262). Peter Harrison made further specific donations of £250,000 to supplement a grant to the National Maritime Museum. There were other donations of £1,199.

##### **(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 £1,788,842 (FY 2006 - £4,261,518). Grants awarded in 2007 included a specific donation from Peter Harrison of £250,000 to fund a supplementary grant to the National Maritime Museum which was originally funded £3,000,000 in the previous year. Also in 2006 Peter Harrison funded a grant of £135,115 to the UK Sailing Academy.

## **THE PETER HARRISON FOUNDATION**

### **Report of the trustees for the year ended 31 May 2007 (continued)**

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

Support costs relating to grant making are £121,576 (FY 2006 - £122,840) and support costs relating to governance costs for general running are £23,214, (FY 2006 - £28,463) and results in a total support cost for the year of £144,790 (FY 2006 – £151,303). When added to investment management costs of £12,393 the total operating overheads amounts to £157,183 (FY 2006 – £164,522) or 8.4% of Total Fund income for the financial year 2007 and 9.7% before additional donations from the Chairman (FY 2006 – 3.6% and 11.5%).

#### **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 deficit on Unrestricted Income Fund, after deducting charitable expenditure and expenses, is (£101,108)(FY 2006 surplus £154,617). After adding the brought forward surplus of £112,806 the Balance Sheet shows a carry forward net income surplus of £11,698 (FY 2006 – £112,806).

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. The freehold building is owned by the P R Harrison 1997 "B" Settlement. 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. Secretarial support is also recharged.

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 financial 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 2007 (continued)**

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**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**

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**

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#### **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 2007 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 2007 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 2007  
Including an Income and Expenditure Account**

	Notes	2007 Unrestricted Income Fund £	2007 Restricted Income Fund £	2007 Expendable Capital Endowment Fund £	2007 Total £	2006 Total £
<b>Income resources from generated funds</b>						
Donations received	2	1,199	250,000	-	251,199	3,155,445
Income from investments and cash deposits	3	1,593,568	-	31,101	1,624,669	1,454,446
<b>Total incoming resources</b>		<u>1,594,767</u>	<u>250,000</u>	<u>31,101</u>	<u>1,875,868</u>	<u>4,609,891</u>
<b>Resources expended</b>						
Charitable activities						
Income fund - grants	4	1,538,842	250,000	-	1,788,842	4,261,518
- support costs	5	121,576	-	-	121,576	122,840
Capital fund - grants		-	-	-	-	10,000
Investment management costs		1,660,418	250,000	-	1,910,418	4,394,358
Governance Costs	5	12,393	-	-	12,393	13,219
		23,214	-	-	23,214	28,463
<b>Total resources expended</b>		<u>1,696,025</u>	<u>250,000</u>	<u>-</u>	<u>1,946,025</u>	<u>4,436,040</u>
<b>Net (outgoing)/incoming funds for year</b>		<u>(101,258)</u>	<u>-</u>	<u>31,101</u>	<u>(70,157)</u>	<u>173,851</u>
Realised gain/(loss) on investment assets	10	150	-	-	150	(3,050)
<b>Net movement in funds</b>		<u>(101,108)</u>	<u>-</u>	<u>31,101</u>	<u>(70,007)</u>	<u>170,801</u>
<b>Total Unrestricted and Endowment Funds brought forward</b>		<u>112,806</u>	<u>-</u>	<u>30,676,686</u>	<u>30,789,492</u>	<u>30,618,691</u>
<b>Total Unrestricted and Endowment Funds carried forward</b>		<u>11,698</u>	<u>-</u>	<u>30,707,787</u>	<u>30,719,485</u>	<u>30,789,492</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 10 to 16 form part of these financial statements.

## THE PETER HARRISON FOUNDATION

### Balance Sheet at 31 May 2007

	Note	2007 £	2007 £	2006 £	2006 £
<b>Fixed assets</b>					
Tangible fixed assets	9		2,776		3,513
Investments	10		-		999,850
			2,776		1,003,363
<b>Current assets</b>					
Debtors, accrued income and prepayments	11	1,278,436		2,151,885	
Cash at bank and in hand					
- Cash and bank balances		1,037,768		884,810	
- Short term deposits		31,337,943		30,134,954	
		33,654,147		33,171,649	
<b>Creditors: amounts falling due within one year</b>					
Charitable grants awarded and committed, not yet distributed	4/12a	(2,925,260)		(3,374,877)	
Other creditors	12b	(12,178)		(10,643)	
		(2,937,438)		(3,385,520)	
<b>Net Current assets</b>			30,716,709		29,786,129
<b>Total Net Assets</b>			30,719,485		30,789,492
Represented by:					
<b>Capital funds</b>					
Capital fund	13a	30,001,000		30,001,000	
Expendable endowment gift	13a	706,787		675,686	
		30,707,787		30,676,686	
<b>Income fund</b>					
Unrestricted Income fund	13b		11,698		112,806
<b>Total Net Capital and Income funds</b>			30,719,485		30,789,492

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

2007.

**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 2007

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#### 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.

##### *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 89% 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, £706,787 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 2007 (continued)

### 2 Endowment and donations received

	2007 £	2006 £
Donation from Peter Harrison to fund a grant to the National Maritime Museum	250,000	3,000,000
Donation from Peter Harrison to fund a grant to the UK Sailing Academy	-	135,115
Other donations	1,199	20,330
	<u>251,199</u>	<u>3,155,445</u>

### 3 Income from investments and cash deposits

	2007 £	2006 £
Interest receivable gross from bank deposits, other deposit accounts and fixed asset investments	1,624,669	1,454,446

### 4 Charitable grants

	2007 Income Funds (Contracted) £	2006 Income Funds (Contracted) £
<b>Reconciliation of grants provided or reserved:</b>		
Grants contracted for in current year:		
Opportunities through Sport	852,568	651,872
Special Needs and Care for Children and Young People	401,467	256,663
Opportunities through Education	149,679	143,574
Trustees' Discretion	385,128	3,224,409
	<u>1,788,842</u>	<u>4,276,518</u>
<u>Total grants awarded</u>	1,788,842	4,276,518
Less grants awarded in previous years not taken up	-	(15,000)
Grants payable in year	<u>1,788,842</u>	<u>4,261,518</u>
Support costs for grant making	121,576	122,840
Charitable activities	<u>1,910,418</u>	<u>4,384,358</u>
Add grants awarded and contracted in previous year but not yet paid at year end	<u>3,374,877</u>	<u>1,149,887</u>
	5,285,295	5,534,245
Grants and support costs paid during the year	<u>(2,360,035)</u>	<u>(2,159,368)</u>
	<u>2,925,260</u>	<u>3,374,877</u>
Grants provided and contracted for but not paid at 31 <sup>st</sup> May 2007	<u>2,925,260</u>	<u>3,374,877</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 2007 (continued)

**Commitments:** In addition to the amounts committed and accrued noted above, the Trustees also occasionally authorise certain grants that are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued at 31 May 2007 was £nil (FY 2006 £136,182).

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

	Grant-making Costs £	Governance Costs £	Total 2007 £	Total 2006 £
<b>Staff costs</b>				
Staff remuneration, employers NI, training and recruitment	69,476	8,666	78,142	87,234
<b>Professional fees</b>				
Audit fees	-	7,773	7,773	5,981
Professional fees	141	353	494	834
	141	8,126	8,267	6,815
<b>Premises costs</b>				
Rent	19,294	2,385	21,679	18,500
Premises management	4,782	591	5,373	6,131
Rates	6,802	841	7,643	7,597
	30,878	3,817	34,695	32,228
<b>Office costs</b>	19,945	2,465	22,410	20,730
<b>Depreciation</b>	1,136	140	1,276	4,296
	121,576	23,214	144,790	151,303

## THE PETER HARRISON FOUNDATION

Notes forming part of the financial statements for the year ended 31 May 2007 (*continued*)

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### 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:

	2007	2006
	£	£
Depreciation	1,276	4,296
Gross salaries	71,212	76,122
Employers national insurance	6,705	7,838
Audit fee	6,000	5,600
Professional fees	13,008	20,034
	<u>          </u>	<u>          </u>

### 8 Staff numbers and costs

The average number of persons employed by the Foundation during the year was 4 (2006:4).

The aggregate payroll costs of these persons were as follows:

	2007	2006
	£	£
Wages and salaries	71,212	76,122
Social security costs	6,705	7,838
	<u>          </u>	<u>          </u>
	77,917	83,960
	<u>          </u>	<u>          </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 2007 (continued)**

**9 Tangible fixed assets**

	Office fixtures and furnishings £	Computer and office equipment £	Total £
<i>Cost</i>			
At 1 June 2006	26,614	32,504	59,118
Additions	-	539	539
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 May 2007	26,614	33,043	59,657
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 June 2006	24,237	31,368	55,605
Provided for the year	656	620	1,276
	<hr/>	<hr/>	<hr/>
At 31 May 2006	24,893	31,988	56,881
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 May 2007	1,721	1,055	2,776
	<hr/>	<hr/>	<hr/>
At 31 May 2006	2,377	1,136	3,513
	<hr/>	<hr/>	<hr/>

**10 Fixed asset investments**

	2007 £	2006 £
Investment at 1 June 2006	999,850	1,002,900
Disposal in year	(999,850)	-
Revaluation movement	-	(3,050)
	<hr/>	<hr/>
Market value at 31 May 2007	-	999,850
	<hr/>	<hr/>
Historical cost at 31 May 2007	-	1,000,000
	<hr/>	<hr/>

The investment was a bond, Kreditanstalt fuer Wiederaufbau 4.8% 2003-2006 which matured during the year

**11 Debtors, accrued income and prepayments**

	2007 £	2006 £
Accrued interest receivable – gross	21,621	47,122
Additional donations receivable from Peter Harrison	1,250,000	2,071,012
Other debtors and prepayments	6,815	33,751
	<hr/>	<hr/>
	1,278,436	2,151,885
	<hr/>	<hr/>

## THE PETER HARRISON FOUNDATION

Notes forming part of the financial statements for the year ended 31 May 2007 (*continued*)

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

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

	2007 £	2006 £
Grants approved and contracted, payable in subsequent year (note 4)	2,925,260	3,374,877

#### 12b Other creditors

	2007 £	2006 £
Trade creditors	2,800	1,547
Other taxes and social security costs	2,378	2,696
Other creditors and accruals	7,000	6,400
	<u>12,178</u>	<u>10,643</u>

### 13 Analysis of charitable funds

	At 1 June 2006 £	Incoming resources £	Resources expended £	At 31 May 2007 £
<b>13a Capital Fund :</b>				
Original endowment gift	30,001,000	-		30,001,000
Further Expendable endowment gift	675,686	31,101	-	706,787
<b>13b Income Fund :</b>				
Unrestricted funds	112,806	1,594,917	(1,696,025)	11,698
Restricted funds	-	250,000	(250,000)	-
	<u>30,789,492</u>	<u>1,876,018</u>	<u>(1,946,025)</u>	<u>30,719,485</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.

## THE PETER HARRISON FOUNDATION

Notes forming part of the financial statements for the year ended 31 May 2007 (continued)

### 14 Analysis of net assets between funds

	Original Endowment Fund £	Expendable Endowment Fund £	Unrestricted Income Fund £	Restricted Income Fund £	Total Funds £
Fixed assets	-	-	2,776	-	2,776
Current assets	30,001,000	706,787	2,696,360	250,000	33,654,147
Current liabilities	-	-	(2,687,438)	(250,000)	(2,937,438)
	<u>30,001,000</u>	<u>706,787</u>	<u>11,698</u>	<u>-</u>	<u>30,719,485</u>

### 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. During the current year a further grant of £250,000 was made, again made possible by a donation from Peter Harrison.

In the previous year a grant of £135,115 was made to the United Kingdom Sailing Academy for the provision of a Yacht Racing Academy at the UK Sailing Academy on the Isle of Wight. This 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 II 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. The freehold building is owned by the P R Harrison 1997 "B" Settlement. 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. Secretarial support is also recharged.

During the year the Foundation was charged, under this agreement £21,679 for rent and £5,373 for service charges for Foundation House, £7,643 for rates, £651 for insurance and £3,079 for secretarial support (all figures include VAT). At 31 May 2007 £1,076 was owed to the "B" Settlement and was paid shortly thereafter.

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 financial staffing to the Foundation. During the year under review the Foundation was charged, under this agreement, £5,587 (FY 2006: £718). At 31 May 2007 £1,482 was owed to the "A" Settlement and was paid shortly thereafter.

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

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2007**

<u>TOTAL GRANTS AWARDED FOR 2006/07</u>	£
Opportunities Through Sport	852,568
Special Needs And Care For Children And Young People	401,467
Opportunities Through Education	149,679
Trustees Discretion	385,128
<u>Total grants awarded</u>	<u>£1,788,842</u>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2007**

OPPORTUNITIES THROUGH SPORT					
REF.	CHARITY	PURPOSE OF GRANT / PROJECT	TOWN/COUNTY	REGION	GRANT (£)
452/768	British Paralympic Association	Producing a successful paralympic team GB	London	National	150,000 over 2 years
236/833	Loughborough University	Centre for Disability Sport - year 3	Loughborough Leicestershire	National	150,000
560/824	The Prince's Trust	Get into Maritime - continuation funding (2007)	London	South East	84,269
601/809	United Kingdom Sailing Academy	GBR Yacht Racing Academy	Cowes Isle of Wight	South East	58,000
650/781	Quarriers	Seafield - A School of Ambition, Achievement and Excellence	Inverclyde Ayrshire	Scotland	51,510
560/757	The Prince's Trust	Get into Maritime - continuation funding (2006)	London	South East	50,971
620/818	The Lord's Taverners	The Lord's Taverners Disability Sports Project	London	National	50,000
669/812	Blind in Business	Sports for visually impaired	London	London	34,320
564/759	The Vival Project	Sports co-ordinator	Pontypridd Rhondda	Wales	30,413
71/808	The Greenbank Project	Community Sport Coaching	Liverpool Merseyside	North West	30,000
664/799	Uig Community Centre Association	Uig Community Centre Extension Project	Uig Isle of Lewis	Scotland	30,000
653/784	Rutland House School	Disabled Swimming Programme	Bury St Edmunds Suffolk	East of England	27,810
670/814	Grafham Grange Special Educational Trust Ltd	Provision of Multi-Use Games Area	Guildford Surrey	South East	25,000
412/462	Blackwell Sailing	Development of sailing for disabled	Kendal Cumbria	North West	15,000
537/805	Bowles Rocks Trust Ltd	Equipment Storage Redevelopment	Tunbridge Wells East Sussex	South East	15,000
651/782	Bannockburn Group of the Riding for the Disabled Association	Outdoor Equestrian Arena	Bannockburn Stirling	Scotland	14,000
679/831	Hartpury College	2007 World Paradrassage Championships	Gloucester Gloucestershire	National	10,000

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**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2007**

(Continued from previous page)

OPPORTUNITIES THROUGH SPORT						
REF.	CHARITY	PURPOSE OF GRANT / PROJECT	TOWN/COUNTY	REGION	GRANT (£)	
236/786	Loughborough University	Harrison Sports Scholarship for Disabled Athlete	Loughborough Leicestershire	East Midlands	9,000 over 3 years	
637/756	Transplant Sports Association of Great Britain	British Transplant Games: sponsor of cycling event	Winchester Hampshire	National	5,250	
122/864	British Wheelchair Sports Foundation	Donation of Rugby World Cup tickets as fundraising auction prize	Aylesbury Buckinghamshire	South East	5,000	
636/755	Halifax & District Table Tennis Association	Table Tennis Coaching for Children with Learning Disabilities	Halifax Yorkshire	Yorkshire and Humber	2,902	
434/825	Special Olympics (West Midlands Region)	Timing System, plus display and interface	Near Stourbridge West Midlands	West Midlands	2,624	
665/806	Active8	Use of facilities at Calvert Trust, Devon by disabled young people	Truro Cornwall	South West	1,499	
<b>(23 AWARDS)</b>					<b>TOTAL:</b>	<b>£852,568</b>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2007**

SPECIAL NEEDS AND CARE FOR CHILDREN AND YOUNG PEOPLE					
REF.	CHARITY	PURPOSE OF GRANT / PROJECT	TOWN/COUNTY	REGION	GRANT (£)
325/802	Chase Children's Hospice Care for Children	Family support and bereavement counselling service	Guildford Surrey	South East	42,674 over 2 years
456/764	The Wessex Children's Hospice Trust	Care Team Nursing Support Project	Winchester Hampshire	South East	39,258 over 2 years
614/790	SeeAbility	Tadley Physiotherapy Assistant	Epsom Surrey	South East	39,229 over 3 years
429/761	Theodora Children's Trust	Theodora Clown Doctors at the Children's Trust, Tadworth, Surrey	London	South East	32,000 over 3 years
672/817	Skidz - The Wycombe Motor Project Ltd	SKIDZ Floating Support Tutor	High Wycombe Buckinghamshire	South East	28,000 over 2 years
671/815	Cherry Trees	Dining Room and Kitchen Extension	Guildford Surrey	South East	27,000
174/829	Sargent Cancer Care for Children	Home from Home appeal	London	South East	25,000
639/763	Sussex Multiple Sclerosis / Treatment Centre	Extension to provide a physiotherapy and exercise room	Southwick West Sussex	South East	25,000
48/800	The Orpheus Trust	Air conditioning equipment	Godstone Surrey	South East	22,162
660/795	Family Matters	East Surrey West Kent Expansion Project	Gravesend Kent	South East	20,000 over 3 years
505/804	Farnley Close School Ltd	Interactive whiteboards and projectors	Haywards Heath West Sussex	South East	20,000
633/751	Soundabout	Music for All at Thomley Barn	Worminghall Buckinghamshire	South East	20,000 over 3 years
654/785	National Library for the Blind	The Braille Library	Stockport Cheshire	North West	15,161
663/798	High Sheriffs' Crimebeat Trust (IOW)	High Sheriffs' IYWAC Initiative	Bembridge Isle of Wight	South East	15,000 over 2 years
42/767	Surrey Care Trust	The Swingbridge Community Boat Programme	Godalming Surrey	South East	15,000 over 3 years
662/797	Shepherds Down School Fund	Wireless Network, with associated laptops	Winchester Hampshire	South East	8,483
667/810	The Snowdon Award Scheme	Helping young people with disabilities	Horsham West Sussex	South East	7,500
				<b>(17 AWARDS)</b>	<b>TOTAL: £401,467</b>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2007**

OPPORTUNITIES THROUGH EDUCATION						
REF.	CHARITY	PURPOSE OF GRANT / PROJECT	TOWN/COUNTY	REGION	GRANT (£)	
680/832	Harrison Scholars 2007	Bursary awards	Reigate Surrey	South East	39,289	
641/770	Prenton High School for Girls (via SST 2006/07)	Specialist School (Science and Art)	Birkenhead Merseyside	North West	20,000	
642/771	Sir John Thursby Community College (via SST 2006/07)	Specialist School (Languages with a rural dimension)	Burnley Lancashire	North West	20,000	
643/772	South Chadderton School (via SST 2006/07)	Specialist School (Engineering)	Oldham Lancashire	North West	20,000	
645/774	Bedale High School (via SST 2006/07)	Specialist School (Humanities)	Bedale North Yorkshire	Yorkshire and Humber	15,000	
646/775	Ravenscliffe High School (via SST 2006/07)	Specialist School (Sports College)	Halifax West Yorkshire	Yorkshire and Humber	15,000	
644/773	Moor Hey School (via SST 2006/07)	Specialist school (Maths and ICT)	Preston Lancashire	North West	10,000	
657/792	St John's Primary School	St John's ICT Suite	Redhill Surrey	South East	10,000	
196/801	Harrison Scholars 2001	Marine Biology 'A' Level Field Course for Harrison scholar	Reigate Surrey	South East	140	
484/791	Harrison Scholars 2004	Rugby Tour 2007 for Harrison scholar	Reigate Surrey	South East	140	
640/803	Harrison Scholars 2006	Marine Biology 'A' Level Field Course for Harrison scholar	Reigate Surrey	South East	110	
<b>(11 AWARDS)</b>					<b>TOTAL:</b>	<b>£149,679</b>

**PETER HARRISON FOUNDATION  
GRANTS AWARDED DURING YEAR ENDED 31 MAY 2007**

TRUSTEES DISCRETION						
REF.	CHARITY	PURPOSE OF GRANT / PROJECT	TOWN/COUNTY	REGION	GRANT (£)	
576/816	National Maritime Museum (note 1)	Peter Harrison Planetarium - shortfall in cost of cone	Greenwich	London	250,000	
658/793	Watts Gallery	Watts Gallery Art for All Head of Learning	Guildford Surrey	South East	60,000 over 3 years	
252/779	London Symphony Orchestra	LSO discovery music makers at Richard Cloudsley School	London	London	15,218 over 2 years	
629/813	Magic Carpet Drama Surrey	Children's Drama workshops (continuation funding)	Brookham Surrey	South East	15,000 over 3 years	
661/796	The Bridge School (Islington) Parent Staff Association	Electronic Wheelchair Tracking System at the New Bridge School	London	London	13,000	
621/821	Public Catalogue Foundation	Catalogue of public artworks - Hampshire	London	South East	10,000	
655/787	John Merricks Sailing Trust	Volvo RYA Keelboat Programme	Southampton Hampshire	South East	5,000	
666/807	The Tim Parry Johnathan Ball Trust	Personal Development and Citizenship Opportunities	Warrington Cheshire	North West	5,000	
632/758	The Caudwell Charitable Trust	Fundraising Auction Prize	Stoke on Trent Staffordshire	West Midlands	3,500	
94/778	Mayor's Charity Appeal (Reigate & Banstead Borough Council)	The Mayor's Charity Appeal 2006/07 (The Children's Trust - Tadworth Court, and St.Catherine's Hospice - Crawley)	Reigate Surrey	South East	2,500	
647/762	30th Reigate Scout Group	Somers Hall - alterations for disabled access	Reigate Surrey	South East	1,500	
656/788	Sidney Michael Poland for Home and Recreation Ground	Sponsorship of student	Betchworth Surrey	South East	1,500 over 3 years	
527/777	The Royal British Legion	Sponsorship of cycle along France's western front	London	National	560	
36/769	Cowes Inshore Lifeboat	Donation of Auction Prize	Cowes Isle of Wight	South East	500	
105/819	Rainbow Trust Children's Charity	Sponsorship for the London Marathon 2007	Leatherhead Surrey	South East	500	
668/811	St Mary's Oxted Heritage Trust	Oxted Community Hall	Oxted Surrey	South East	500	
127/789	The Ahoy Centre	Awards to deserving disabled and disadvantaged young people for achievements in sailing	Deptford London	London	500	
1/822	Marie Curie Cancer Care	Sponsorship for Swimathon 2007	London	National	250	
638/760	British Heart Foundation	Sponsorship for London to Brighton Bike Ride 2006	London	Great Britain	100	
				<b>(19 AWARDS)</b>	<b>TOTAL:</b>	<b>£385,128</b>

Note 1: Made possible through a further donation of £250,000 by the Chairman