

Financial Statements

for the year ended 30th September 2019

Newcomen Collett Foundation

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

FIRST APPOINTED

+	◆	Mr Alderman Tim McNally	(Chair)	14.12.17
+	◆	Amir Eden Esq.	(Vice Chair)	28.09.17
+		R Lovell Esq		15.03.99
+	Mr	R V Ashdown Esq		22.09.05
		A Leiffheidt Esq		11.12.08
+		Mrs J Goodland		13.12.13
		Mrs C Harman Clark		13.12.13
+		P MacFarlane Esq		26.09.14
		Canon M Rawson		10.03.16
+		Mrs Neha Jain		09.03.17
		Mrs Galiema Amien-Cloete		28.09.17
		Ms Christine Wood	(resigned 28th November 2019)	13.11.17
		Ms Janet Simpson		13.12.18
+		Member of the Investment Committee		
Mr		Member of the Audit Committee		
◆		Member of the Governor Selection Committee		

OFFICERS

Ms C M de Cintra BA ACA	Clerk to the Governors
Ms A Lamont	Field Officer

PRINCIPAL OFFICE

Marshall House
66 Newcomen Street
London SE1 1YT

Tel : 020 7407 2967
Fax: 020 7403 3969
e-mail: catherine@newcomencollett.org.uk

BANKERS

Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB	CAF BANK PO Box 289, West Malling, Kent ME19 4TA
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SOLICITORS

Cripps LLP
22 Mount Ephraim
Tunbridge Wells
TN4 8AS

INDEPENDENT EXAMINER

Lee Stokes FCA
Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

INVESTMENT MANAGERS

Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA	CCLA Senator House, 85 Queen Victoria Street London EC4V 4ET	Cazenove Capital 1 London Wall Place London EC2Y 5AU
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Newcomen Collett Foundation

Report of the Governors for 2019

1. OBJECTIVES AND ACTIVITIES

Purposes of the Foundation

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

The charitable purposes of the Newcomen Collett Foundation are:

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

Public Benefit

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

Activities

The principal area of activity is awarding grants using funds generated from investment assets. This is explained in more detail below.

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

A) Investment Management

As an Endowed Foundation one of the primary tasks of the Governors is to manage the investment assets. The Governors have adopted a policy of prudent diversification in relation to the investments and as such hold the investments in both property and equity assets.

The Investment Committee advises the Governors on Investment Policy for the Foundation. The aim is to balance the needs of current and future beneficiaries. The specific financial objectives of the Foundation are:

- To grow the real value of the assets in order to:
 - Secure the long term existence of the Foundation; and
 - Meet the unfulfilled demand for grants;
- To seek a return greater than RPI plus 4% and £65,000 net;
- To dispose of underperforming assets as soon as practicable;
- To source alternative forms of investment including accumulation funds;
- To contain operating costs.
- To operate at an acceptable level of risk.

During the year the Governors decided to transfer all securities into accumulation units, thus growing the endowment fund for future beneficiaries. Grants to current beneficiaries will be made from unrestricted funds.

➤ Property

Approximately 60% of the endowment is currently invested directly in property. The portfolio is diversified by size, location and class.

The Investment Committee continues to explore the development potential of all the properties in the portfolio. The Governors are also identifying which properties should continue to be held in the portfolio, and are devising a strategy for disposing of properties identified for disposal. In accordance with this policy one property was disposed of during the year.

The Foundation's property portfolio is actively managed by the Surveyor to Marshall's Charity.

Newcomen Collett Foundation

Report of the Governors for 2019

➤ Securities

Approximately 40% of the current endowment is invested in securities.

The investment policy recommends diversification of risk, and as such the Foundation holds its funds in three Common Investment Funds: the Newton Growth and Income Fund for Charities at Newton Investment Management, the Charity Multi-Asset Fund with Schroders and the CCLA COIF Charities Investment Fund.

Each Fund Manager issues quarterly reports showing the performance of the Funds. The Governors continue to monitor performance and also to keep under review the level of securities investments held in relation to property investments.

B) Grant-Making

The objects of the Foundation, which are set out in section 1, provide for four types of grant.

In practice most of the grant-making activities fall within the fourth object. In relation to the first three objects:

- applications made by staff of Sunshine House on behalf of individuals are regarded as eligible for grants and are considered on their merits.
- An annual grant of £2,000 is paid to the Governors of the Parish School of the Cathedral Church of St Saviour and St Mary Overie, Southwark.
- There were no applications during the year for grants towards the rent, alteration and repairs of other Church of England Voluntary Aided schools.

The grants made under the fourth object fall into three categories: school uniform grants, grants to individuals and grants to organisations.

➤ School Uniform Grants

Each year a proportion of the available funds is made available for emergency grants to purchase school uniforms. Schools contact the Foundation to outline the pupil's situation and request a grant. Grants are awarded under Clerk's discretion and applications are usually turned around within 48 hours. The school is responsible for purchasing the items of school uniform and the Foundation reimburses the school.

➤ Grants to Individuals

Individuals who are under the age of 25 and have been resident in Southwark for at least two years are eligible to apply for a grant towards the cost of their education. The majority of grants are awarded towards the living costs of those attending tertiary or higher education. Priority is given to natives of Southwark, and to those embarking on their first post-school qualification. Grants to individuals under the age of 16 are usually only awarded in cases of exceptional talent or need. Individuals are eligible to apply once in any twelve-month period. The Governors do not make multi-year awards, but will usually consider repeat applications from students for as long as they continue their studies.

➤ Grants to Organisations

Organisations who work with young people in Southwark are eligible to apply for grants. Support is given towards a breadth of activities including residential trips, music productions and equipment, sports resources, arts projects, after school clubs and holiday clubs. Priority is given to organisations who are based in Southwark.

2. ACHIEVEMENTS AND PERFORMANCE

Achievements

The year ended 30 September 2019 was a busy and successful year for the Foundation. The Governors are pleased that the capital value of the investment assets has increased over the year. Income returns from securities were lower than budget following the decision to transfer all securities into accumulation funds. However rental income from properties exceeded budget and this enabled the Foundation to award grants of over £90k to 181 individuals and organisations.

The various achievements are explored in more detail below.

Newcomen Collett Foundation

Report of the Governors for 2019

A) Investment Management

➤ Property

The capital values of the properties have increased by 7% over the year, after taking account of the property that was sold, and the level of income received for all properties exceeded budget by nearly £30k.

The Governors, with the assistance of the Surveyor, are using some of the sale proceeds to convert part of another property to an additional residential flat.

➤ Securities

The equity portfolio has performed well over the year. Part of the property sale proceeds was invested in the CCLA COIF Charities Investment Fund.

Investment Managers provide regular reports on the performance of their funds, and the Governors review the performance of their investments on a regular basis. The Foundation compares performance to the individual fund's own benchmarks.

B) Grant-making

The Foundation has continued to see greater demand for its grants than it has funds available. Consequently the Governors, with the assistance of the Field Officer, follow the grant-making priorities of the Foundation. It is hoped that this will enable the Foundation's limited funds to be directed to those organisations and individuals who will benefit most from a grant.

➤ School Uniform Grants

79 (2018 – 111) grants were awarded for the purchase of school uniforms during the year.

➤ Grants to Individuals

29 (2018 – 26) grants were awarded to individuals over the year and these were generally towards the living costs of those pursuing post-16 educational opportunities.

➤ Grants to Organisations

73 (2018 – 94) grants were awarded to organisations for a range of projects covering the arts, drama, sports, school trips and holiday clubs.

3. FINANCIAL REVIEW

Review of Finances

The Newcomen Collett Foundation incurred a deficit of £4,480 on its activities during the year, excluding gains on investments. The Governors had agreed a deficit budget for the year of £20,625 to reduce unrestricted reserves.

The freehold investment properties are revalued annually by the Surveyor to Marshall's Charity. This year, in his view, there has been an increase in the value of the portfolio.

Reserves Policy

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

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

Free reserves exclude restricted funds and designated funds. They also exclude any unrestricted funds held in fixed assets. At 30 September 2019 the target level of free reserves was £82,000. However, the actual level was £528,838. The governors have agreed to reduce the free reserves over a number of years by increasing the amount of grants awarded and hence setting budgets with a deficit. The budgeted deficit in 2019/20 is over £53,000.

Going Concern

Having reviewed the financial performance for the year, the budget for the year to 30 September 2020 and plans for future years, the Governors confirm that the financial statements for the year to 30 September 2019 can be prepared on the going concern basis.

Newcomen Collett Foundation

Report of the Governors for 2019

Investment Policy

The Governors continued with the Investment Policy adopted in December 2018. Currently the Governors do not wish to impose any specific ethical investment policy; however potential investments are assessed to ensure congruence with the aims and ethos of the Foundation.

Plans for the Future

The Foundation has a long-term strategy to build up its asset base in order to provide more income for the important grant needs of the community it serves. The priority for the coming months is to implement the recommendations of the investment committee.

Risk

The Risk Register is considered in detail at each Governors meeting and appropriate actions are being taken to mitigate any risks identified.

As at 30 September 2019 the two major risks facing the Foundation were:

- Loss/long term absence of key staff. As a small office, dependent on few individuals, the unexpected loss or extended absence of a member of staff could have a significant impact on the ability of the Foundation to continue its work. A contingency plan is in place.
- Significant loss of income due to adverse economic or political climate. The Foundation is reliant on investment income to fund its running costs and grant-making activities. A significant loss of income would therefore have a major impact on the Foundation's activities. This risk is managed through holding free reserves and the diversification of the investment portfolio. In addition staff and Governors monitor economic and political trends.

4. STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Documents & Governors

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

The Foundation is controlled by a body of Governors, who are the trustees of the Foundation, all of whom are members of the General Meeting of Governors. Governors are elected to serve for a four year period, and may be re-elected for subsequent four year periods. There are a maximum of fourteen Governors, none of whom receives any remuneration or benefit from the Foundation.

One Governor may be appointed as a Representative Governor by the Governors of the Cathedral School and Janet Simpson is currently that Governor. One other Governor may be appointed as a Representative Governor by the Guy's & St Thomas' Charitable Trust and that position is currently vacant.

The Governors were pleased that Canon Michael Rawson is currently a Governor. The Foundation has had a long relationship with Southwark Cathedral and the Governors are delighted that the relationship continues and that Michael is able to represent the concerns of the local community.

Governor Selection & Training

The Governor Selection Committee meets as necessary to consider new appointments of Governors. There are currently two vacancies for Governors on the Board.

The Foundation is fortunate to have many highly qualified and experienced Governors who are also active in other charities. In keeping with the need to maintain the highest levels of governance, the Foundation encourages all Governors to participate in training that is relevant and which will assist them in their roles. Through our membership of the Charity Finance Group and also from professional advisers, various courses are available in many of the specialist areas that affect the Foundation.

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

Newcomen Collett Foundation

Report of the Governors for 2019

Governance

As with the corporate world, the charity sector has recognised that good governance and transparency are key responsibilities in their relationship with the community they serve. The Newcomen Collett Foundation seeks to ensure that it meets the highest standards in these areas consistent with the size of its operations and funds. To this end, during the year, the Foundation set up a working party to ensure compliance with the Charity Governance Code. This included drawing up a Board Code of Conduct and a Board Remit.

There are currently three committees: an Investment Committee, an Audit Committee and a Governor Selection Committee. All committees have formal terms of reference and no committee has delegated powers to act without the authority of the General Meeting of Governors. The Governors rely greatly on the careful and thoughtful work undertaken by these committees which allows the General Meeting to deal more effectively with the many issues which are its concern.

The Foundation has a working agreement with Marshall's Charity, together with a license to occupy the premises at Newcomen Street, which sets out the terms for sharing staff between the two charities.

In order to allow potential beneficiaries to find out more easily about the work of the Foundation and their ability to qualify for grants from us, the Foundation has its own website, www.newcomencollett.org.uk. As well as providing information about the Foundation, it allows applicants to download blank application forms, thus speeding up and simplifying the process of applying to us.

Audit Committee

There are normally two meetings each year of the Committee. One of the meetings is concerned with the planning of the independent examination to be carried out and identifying the areas of special interest which the Governors wish to be examined by the independent examiner. The other meeting reviews the annual accounts and the outcome of the audit work. In the absence of the Clerk, the independent examiner also has the opportunity to report to the Governors in confidence on any issues that might have arisen during the independent examination.

Management

The day-to-day management of the affairs of the Foundation is delegated to the Clerk and the Field Officer. The Governors believe that the operation of a Foundation with assets and income of this scale requires management by professionally trained staff with its necessary costs. They are immensely grateful to both the Clerk and the Field Officer for their dedication to the work of the Foundation, as well as the support given by John Hutchings as Surveyor to Marshall's Charity, who reports regularly to the Governors on matters related to the property portfolio of the Foundation.

Remuneration Committee

The pay arrangements of the staff are dealt with by the Remuneration Committee of Marshall's Charity. In view of the close working relationship between the charities, the Committee invites the Newcomen Collett Foundation to nominate a representative to join them for the Meetings, and the Chair and Vice Chair of the Foundation attended in 2019.

Remuneration Policy

The Governors are grateful for the commitment and enthusiasm of the Foundation's staff. The Governors take the view that it is essential to attract and retain staff with the appropriate skills and capabilities, and reward them fairly for delivering the Foundation's important work. In order to do this the Foundation reviews its salaries on a regular basis and this is done through the Remuneration Committee. At its annual meeting the Committee receives a report from the Clerk on staff issues and performance, and then considers sector and national pay rates and conditions, and levels of inflation, before preparing its recommendations to the Governors.

Newcomen Collett Foundation*Report of the Governors for 2019*

Statement of Governors' Responsibilities

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

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

In preparing these financial statements the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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 operation.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Report) Regulations 2008 and the provisions of its Constitutional Scheme. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the Governors on 5 March 2020 and signed on their behalf:

Tim McNally
Chairman

Robert Ashdown
Governor

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF NEWCOMEN COLLETT FOUNDATION

I report to the Trustees on my examination of the accounts of Newcomen Collett Foundation for the year ended 30 September 2019 which are set out on pages 4 to 14.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act"). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

I report in respect of my examination of the Trust's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Lee Stokes FCA
Haysmacintyre LLP,
10 Queen Street Place
London
EC4R 1AG

Date: 5 March 2020

	Notes	Unrestricted Funds	Endowment Fund	Total 2019	Total 2018
		£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Investment income					
Property rentals		153,509	-	153,509	155,320
Dividends & interest	4	13,154	-	13,154	28,360
Grant from other charity		-	-	-	9
Total income		166,663	-	166,663	183,689
EXPENDITURE ON:					
Raising funds	14	54,429	-	54,429	55,076
Charitable activities	14	116,714	-	116,714	148,854
Total expenditure		171,143	-	171,143	203,930
Net income/(expenditure) before gains and losses on investment		(4,480)	-	(4,480)	(20,241)
Net recognised gains / (losses) on investment					
Property - realised & unrealised	3 & 7	-	120,517	120,517	222,875
Securities - unrealised	3	-	57,931	57,931	81,399
Net income/(expenditure) after gains and losses on investment		(4,480)	178,448	173,968	284,033
Transfers between funds		-	-	-	-
Net movement in funds		(4,480)	178,448	173,968	284,033
Reconciliation of funds:					
Total funds brought forward		533,318	3,135,531	3,668,849	3,384,816
Total funds carried forward		528,838	3,313,979	3,842,817	3,668,849

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

The notes on pages 7 to 14 form part of these accounts.

		2019		2018	
	Notes	£	£	£	£
FIXED ASSETS					
Investments - General Purposes					
Freeholds	2		2,016,000		2,175,000
Securities	3		1,660,158		1,471,227
			<u>3,676,158</u>		<u>3,646,227</u>
CURRENT ASSETS					
Debtors and prepayments	5	19,320		35,363	
Cash at bank and in hand		<u>204,965</u>		<u>81,237</u>	
		224,285		116,600	
Creditors: Amounts falling due within one year	6	<u>(57,626)</u>		<u>(93,978)</u>	
Net current assets			166,659		22,622
NET ASSETS			<u><u>3,842,817</u></u>		<u><u>3,668,849</u></u>
FUNDS					
Unrestricted Fund			528,838		533,318
Endowment Fund	7		3,313,979		3,135,531
TOTAL FUNDS			<u><u>3,842,817</u></u>		<u><u>3,668,849</u></u>

Approved by the Governors and authorised for issue on 5 March 2020 and signed on their behalf:

Tim McNally Governor

Robert Ashdown Governor

The notes on pages 7 to 14 form part of these accounts.

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	16	(191,452)	(166,559)
Cash flows from investing activities:			
<i>Dividends, interest and rents from investments</i>		166,663	183,689
<i>Proceeds from the sale of investments</i>		823,311	20,683
<i>Purchase of investments</i>		(674,794)	(60,000)
Net cash provided by (used in) investing activities		315,180	144,372
Change in cash and cash equivalents in the reporting period		123,728	(22,187)
Cash and cash equivalents at the beginning of the reporting period		81,237	103,424
Cash and cash equivalents at the end of the reporting period		204,965	81,237

1. Accounting Policies

- a The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Charities Act 2011.
- b The Foundation constitutes a public benefit entity as defined by FRS102.
- c The governors considered that there are no material uncertainties about the Foundation's ability to continue as a going concern.
- d All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Rental income is credited when receivable. Security income is credited on an accruals basis.
- e Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Foundation to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Repairs and renewals to property are charged to the Statement of Financial Activities when incurred. Grants are treated as expenditure when authorised by the governors and communicated to the beneficiaries, not when the grants are paid.
- f Staff pension contributions are made under defined contributions schemes, and the funds are held by fully independent insurance companies. No liability exists under the scheme except for the amount of the contributions charged in the year.
- g Irrecoverable VAT is charged against the expenditure heading for which it was incurred.
- h All staff support costs have been allocated on the estimated basis of time spent on those categories. All other overheads have then been allocated between the categories on the basis of the total staff costs.
- i All securities (general purposes) are shown at bid value and properties are valued at open market value. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sales' proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.
- j The Foundation has a single permanent endowment. The governors have the powers to invest the capital in perpetuity and apply the income to the general purposes of the Foundation, namely to provide educational grants to young people in the London Borough of Southwark.

1. Accounting Policies (continued)

- ^k In the application of the accounting policies, governors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

Judgements made by the trustees, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the valuation of properties and are discussed below.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

- ^l Basic cost instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

2 Freehold properties

Opening balance at 1st October 2018

Disposals during the year

Revaluation of properties at year end

Closing balance at 30th September 2019

2019	2018
£	£
2,175,000	1,952,125
(290,000)	-
131,000	222,875
2,016,000	2,175,000

The property portfolio has been valued by Mr J D Hutchings DipBs FCAbe FRICS, who is the Surveyor to Marshall's Charity. The valuation is on the basis of open market value.

3 Securities - UK Managed Funds

Market value at 1st October 2018

Additions during the year

Disposal during the year

Net gain on revaluations during year

Market value at 30th September 2019

Historical cost at 30th September 2019

2019	2018
£	£
1,471,227	1,350,511
674,794	60,000
(543,794)	(20,683)
57,931	81,399
1,660,158	1,471,227
1,250,022	1,119,022

Securities consisted of the following holdings:

Newton Global Growth & Income Fund units
Cazenove Capital Charity Multi-Asset Fund
CCLA COIF Charities Investment Fund

Market Value	
2019	2018
590,669	552,560
935,430	918,667
134,059	-

4 Dividends and interest on securities

UK dividends and interest on securities

Other interest received

2019	2018
£	£
12,856	28,303
298	57
13,154	28,360

5 Debtors and prepayments

Rents due from tenants and agents

2019	2018
£	£
19,320	35,363

6 Creditors: amounts falling due within one year

Grants authorised but unpaid

Rent deposits

Value Added Tax

Other creditors

2019	2018
£	£
48,886	67,002
-	12,780
7,240	3,608
1,500	10,588
57,626	93,978

7 Endowment Fund

Balance brought forward from previous year
Adjustment to market value of properties
Adjustment to market value of securities
Loss on sale of property

2019	2018
£	£
3,135,531	2,831,257
131,000	222,875
57,931	81,399
(10,483)	-
3,313,979	3,135,531

8 Governors and Related Party Transactions

- a) In 2019 £NIL (2018 - £NIL) was paid to Governors for travel expenses. No remuneration was paid to Governors by the Foundation, nor were any expenses re-imbursed to Governors by payment to a third party (2018 - £NIL).
- b) Governors were not involved in any transactions, except where the Foundation made grants to organisations with which a Governor is involved. In those cases, the Governor involved did not vote. This was the situation for the following grants:
 - i. Grant made to Rotherhithe Primary School for £1,000, where Mrs Amien-Cloete is the Head and Mr Eden is a Governor.
 - ii. Grant made to Bede House for £1,000, where Mr McNally's IT company is a supplier.
 - iii. Grant made for a football club run by Living Bankside for £2,000, where Mr Eden is a director.

9 Independent Examiner fees

Fees paid to the Independent Examiner in the year totalled £1,400 (2018 - £1,365) and were all in respect of independent examination services.

10 Analysis of Net Assets between Funds

	2019			2018		
	Investments General Purposes	Net Current Assets/ (Liabilities)	Total	Investments General Purposes	Net Current Assets/ (Liabilities)	Total
	£	£	£	£	£	£
Restricted Funds						
<i>Endowment Fund</i>	3,313,979	-	3,313,979	3,135,531	-	3,135,531
Unrestricted Funds						
<i>Unallocated Income</i>	362,179	166,659	528,838	510,696	22,622	533,318
	3,676,158	166,659	3,842,817	3,646,227	22,622	3,668,849

11 Analysis of staff costs and remuneration of key management personnel

Salaries and assessable benefits
Social security costs
Other pension contributions

2019	2018
£	£
12,700	12,350
576	560
2,055	1,995
15,331	14,905

Average number of staff (including full-time and part-time staff)

Field Officer

2019	2018
1	1
1	1

In 2019, no employees received remuneration in the band £60,000 - £70,000 (2018- 0).

No Governor receives any remuneration from the Foundation, nor were any expenses re-imbursed to Governors by payment to a third party (2018 - £NIL). Governors were not involved in any other transaction with the Foundation or any related party (2018 - £NIL).

12 Allocation of support costs

The breakdown of support costs and how these were allocated between Governance and other support costs is shown below:

Cost type	2019		TOTAL	Basis of Apportionment
	Governance related	Other support costs		
	£	£	£	
Staff costs	2,030	44,731	46,761	Staff time
Office costs & overheads	1,538	18,367	19,905	Staff time
	3,568	63,098	66,666	

Cost type	2018		TOTAL	Basis of Apportionment
	Governance related	Other support costs		
	£	£	£	
Staff costs	2,686	27,849	30,535	Staff time
Office costs & overheads	1,518	36,872	38,390	Staff time
	4,204	64,721	68,925	

All staff support costs have been allocated on the estimated basis of time spent on those categories. All other overheads (except independent examination costs, which have been charged to Governance) have been allocated between the categories on the basis of the total staff costs.

13 Allocation of support costs

Investment Management
Grants

2019	2018
£	£
31,726	30,488
34,940	38,437
66,666	68,925

14 Expenditure

	Direct costs	Allocated support costs	2019 TOTAL	Direct costs	Allocated support costs	2018 TOTAL
	£	£	£	£	£	£
Cost of raising funds						
Investment Management	-	31,726	31,726	-	30,488	30,488
Property costs	22,703	-	22,703	24,588	-	24,588
	22,703	31,726	54,429	24,588	30,488	55,076
Charitable activities						
Grant costs available (see note 15)	81,774	34,940	116,714	110,417	38,437	148,854
	104,477	66,666	171,143	135,005	68,925	203,930

15 Major grants during the year

Recipient	2019 £	2018 £
Cathedral School	2,000	2,500
Goodrich Community School	2,000	2,100
Camelot School	2,000	2,000
Living Bankside	2,000	2,000
acet UK	2,000	2,000
Blue Elephant Theatre	1,650	2,000
Flute Theatre	1,500	1,800
John Donne Primary School	1,400	1,540
Friars Primary (Foundation) School	1,250	1,500
Pilgrims' Way School	1,160	1,212
Authorfy Ltd	1,080	1,200
Just Enough UK	1,050	1,200
	19,090	24,502
Other grants to organisations & individuals - 169	72,615	89,420
	91,705	113,922
Less: Cancellations	(9,931)	(3,505)
Total net grants	81,774	110,417

16 Reconciliation of net movement in funds to net cash from operating activities

***Net income for the reporting period (as per
the statement of financial activities)***

(Gains) on investments

Dividends, interest and rents from investments

Decrease in debtors

(Decrease)/increase in creditors

Net cash used in operating activities

2019	2018
£	£
173,968	284,033
(178,448)	(304,274)
(166,663)	(183,689)
16,043	8,138
(36,352)	29,233
(191,452)	(166,559)