

PEARSON'S HOLIDAY FUND

Registered Charity No. 217024
Company No. 107843

REPORT of the COUNCIL

a n d

FINANCIAL STATEMENTS

for the year ended

31 December 2005

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PEARSON'S HOLIDAY FUND

Company and General Information

General Secretary

Bryan K H Rogers, FCA

Registered Office

16/20 Kingston Road, South Wimbledon, London, SW19 1JZ

Administration Office (to which all correspondence and applications for grants should be sent)

PO Box 3017, South Croydon, Surrey, CR2 9PN

Website

www.pearsonsholidayfund.org

Auditors

Jacob Cavenagh & Skeet, Chartered Accountants and Registered Auditors
5 Robin Hood Lane, Sutton, Surrey, SM1 2SW

Bankers

CAF BANK Limited
PO Box 289, West Malling, Kent, ME19 4TA

Solicitors

Pothecary & Barratt
White Horse Court, North Street, Bishop's Stortford, Hertfordshire, CM23 2LD

Investment Advisers

Analysis Financial Management Limited
37 Pinfold Lane, Holton le Clay, Grimsby, Lincolnshire, DN36 5DT

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2005

The Council, being the Trustees, present their Report and Financial Statements for the year ended 31 December 2005.

Constitution

Pearson's Holiday Fund is a Company limited by guarantee and not having a share capital (No. 107843) which is governed by a Memorandum and Articles of Association. The liability of each member is limited to £1. It is also a registered Charity (No. 217024).

Council Members (the Trustees)

Under the Articles of Association the number of the members of Council is not less than 5 or more than 15. The members of Council are subject to retirement by rotation, and may be re-elected. The Council has powers at any time and from time to time to appoint any member of the Company to the Council, subject to retirement (and possible re-election) at the next following Annual General Meeting.

The following served on the Council during the year:

A John Bale (Chairman)
John S Bradley
Rev Noel Cooper (*resigned 9 February 2005*)
David P Golder (Honorary Treasurer)
John F Gore ACIS
Mrs Christine B Graham
Ian M Halliwell
Mark A Hutchings BEd (Hons)
Andrew Noble

All the present members of the Company are members of the Council.

Objects of the Charity

The principal object of the charity is currently to make small grants to assist financially disadvantaged children and young people living in the United Kingdom to have holidays, outings, or to take part in group respite activities in the United Kingdom that take them away for a little while from their otherwise mundane or restricted environment which would not be possible without some external financial support.

Grants are awarded for the benefit of children and young people aged between 4 and 16 (inclusive) who, regardless of race, colour, creed or sex, meet the Fund's criteria of being disadvantaged. The consideration of applications is made with regard to criteria set out in the *Guidance Notes re Applications for Grants* which can be viewed and/or downloaded from the Fund's Website (see page 1) or obtained on request to the General Secretary.

Most of the applications for grants relating to individual children/young people are submitted by Social Workers, Health Visitors, Young carers' organisations, Teachers, Ministers of Religion, etc. Group-related applications are received in connection with School educational/activity trips, student youth projects for the benefit of deprived children, Youth club outings and holidays, etc. The Fund does not accept direct applications from families, who are advised that they should ask a relevant third party referring agency to submit an application on their behalf.

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2005 (continued)

Organisation

The Council normally meets twice a year to administer the charity. The General Secretary is charged by the Council to manage the day-to-day operations of the charity.

Investment powers

Under the Memorandum of Association, the charity has the power to make any investment which the Council sees fit.

Review of the Year 2005

During the year the work of Pearson's Holiday Fund has continued to address an ongoing need in our society.

In early December 2005 it has been reported in the press that a larger charity than ours (Save the Children) has claimed that one in ten children in England, Scotland and Wales live in homes so poor that they will go without a coat, pair of shoes, or even a hot meal in the winter of 2005/06. That charity says that it has found no real improvement in the number of children living in severe and long-term poverty since it was reported in 2003 that up to a million were in dire need. It alleged that the Government needs to take action or else it would miss the target of ending child poverty by 2020.

Pearson's Holiday Fund is attempting to alleviate just a little of that distress and deprivation.

Since 2004, following a decision of the Council in October 2003, financial grants have been provided by the Fund on the basis of a maximum of £75 per individual qualifying child/young person, and a maximum of £750 for group respite activities and holidays.

The Council resolved early in 2005 to make a total of £152,500 available for grants to be paid in the year 2005. This decision was based on the net income available from receipts in 2004 (as disclosed in the Report of The Council for 2004) including a substantial amount of legacies received in 2004. The amount available for grants in 2005 was more than in any of the 10 preceding years, thus making the Year 2005 probably one of the most significant in the recent history of Pearson's Holiday Fund.

The following is a summary of the grants actually provided in the year:

	<u>2005</u>			<u>2004</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
Individuals	409	1,219	86,617	314	847	61,942
Group activities, etc	96	2,466	65,128	79	1,953	57,695
	<u>505</u>	<u>3,685</u>	<u>£151,745</u>	<u>393</u>	<u>2,800</u>	<u>£119,637</u>

The following is an approximate summary of the principal types of disadvantages assisted:

continued ...

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2005 (continued)

Review of the Year 2005 (continued)

	<u>2005</u>	<u>2004</u>
Mental handicap/impairment and learning difficulties	473	415
Physical handicap	243	361
Abused, at risk and subjected to violence in the home	307	182
Children and young people as carers of parents	113	68
Poor, deprived and disadvantaged	2,447	1,738
Refugees, homeless, etc.	102	36
	<u>3,685</u>	<u>2,800</u>

The purposes for which grants have been awarded in the Year 2005 are summarised below:

	<u>2005</u>			<u>2004</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
Individuals:						
Family holidays	352	1,092	77,488	245	684	50,288
Family outings	28	77	5,720	29	99	7,150
Individual holidays	7	8	575	25	41	2,850
Individual outings	5	5	304	5	10	735
Participation in School trips	17	37	2,530	10	13	919
	<u>409</u>	<u>1,219</u>	<u>86,617</u>	<u>314</u>	<u>847</u>	<u>61,942</u>
Group activities, etc						
School trips	23	375	15,600	25	395	18,380
Group holidays	53	1,311	36,945	39	997	29,910
Group outings	11	465	6,833	10	406	5,655
Playschemes, etc	9	315	5,750	5	155	3,750
	<u>96</u>	<u>2,466</u>	<u>65,128</u>	<u>79</u>	<u>1,953</u>	<u>57,695</u>
	<u>505</u>	<u>3,685</u>	<u>£151,745</u>	<u>393</u>	<u>2,800</u>	<u>£119,637</u>

In considering applications for group-related grants during 2005, we have continued to adopt a policy of careful selectivity and scrutiny of such applications in order to ensure that the disadvantaged children/young people who benefit from such grants have a meaningful contribution. We have, therefore, generally speaking only responded to group applications where the benefit per child is £10 or more. We have not been willing to provide general funding.

Applications for grants from the Fund are received from all parts of England, Wales, Scotland and Northern Ireland. There follows a geographical analysis of the grants provided, the figures for England being further sub-divided into the recognised regions:

continued ...

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2005 (continued)

Review of the Year 2005 (continued)

	<u>2005</u>			<u>2004</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
England:						
Greater London	72	886	29,465	40	523	17,225
East Midlands region	10	77	3,550	13	94	4,455
East of England region	19	133	7,000	17	101	5,590
North East region	23	185	9,975	9	59	3,425
North West region	183	878	48,400	109	598	32,595
South East region	19	161	5,027	25	246	6,722
South West region	23	279	8,550	20	170	7,500
West Midlands region	36	298	10,075	45	374	12,833
Yorkshire region	48	354	12,445	40	246	11,453
	433	3,251	134,487	318	2,411	101,798
Scotland	52	318	11,898	49	220	10,665
Wales	9	72	3,000	11	136	4,699
Northern Ireland	11	44	2,360	15	33	2,475
	505	3,685	£151,745	393	2,800	£119,637

Despite having a total of £152,500 available for grants in the year under review, the popularity of the Fund has continued to expand and by early-May 2005 we were in the unenviable position of having to reject applications for lack of funds. During the year 91 applications had to be rejected because the requests did not meet with our own criteria. A further 164 applications were declined after we had run out of funds: in 100 of these cases, we know that we could at least have helped another 460 disadvantaged children/young people at a cost of £22,983 if funds had been available.

Pearson's Holiday Fund is not an organisation with underlying wealth. We are almost entirely dependent on donations received from individuals, companies and firms and grant-making trusts. No income is received from Central or Local Government, or even the National Lottery. After deduction of administration and fund-raising expenses, monies received in one calendar year are normally used to provide grants for the benefit of disadvantaged children and young people in the following year. We have no buildings or offices to maintain: the General Secretary, who is involved in the detailed work of the fund, operates from his own home.

The costs of generating income, management, administration and governance in the year 2005 (£12,397) represented 10.87% of the total incoming resources (2004: £8,771 = 4.60%). During the first half of the year the General Secretary undertook the fund-raising role, but with effect from 1 July 2005 the Fund has used the services of a separate Fundraiser, Mr David Britten.

The amount of income received from 62 grant-making Trusts was £51,910, a disappointing decline from the £89,530 (75 trusts) received in the previous year, largely accounted for by a generous grant of £30,000 that was received from one trust in 2004. It continues to be a concern that a number of trusts seem reluctant to support the general ongoing work of Pearson's Holiday Fund which, quite simply, cannot continue to provide a service without such support. The desire of so many trusts to support more closely-defined "projects" rather than seeing the overall activity of Pearson's Holiday Fund as a project in itself and worthy of support is a cause of concern in terms of the future of the Fund.

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2005 (continued)

Review of the Year 2005 (continued)

The income received from companies and firms amounted to £3,016 - again a disappointing decline from the £4,384 received in the previous year.

Our individual supporters donated £12,863 to the Fund during 2005 (2004: £14,280) and their contributions have been most welcome. We are particularly grateful for the 36 individuals who enhanced their cash donations by signing Gift Aid Declarations in favour of Pearson's Holiday Fund.

The amount received from legacies in 2005 amounted to £40,615, of which £36,404 was from a Will Trust which came into effect on 16 January 1933 and provided for two life tenancies: the second life tenant died on 7 July 2005, following which the funds in the estate pass to Pearson's Holiday Fund. The corresponding income from legacies in 2004 amounted to £76,019.

Investment income and interest received in 2005 amounted to £5,636 (2004: £6,648).

No donations in kind were received during the year.

The Fund's own Website (www.pearsonsholidayfund.org) has remained in place throughout the year and has been updated appropriately from time to time. Its availability has increasingly been used as a means of making information readily available regarding the purposes for which the Fund exists, the method of operation, etc.

Other than members of the Council, there were no unpaid volunteers directly involved in the operation of the Fund during the year.

Grants to be provided in 2006

Having regard to the net income in the year 2005 on the General Fund (£86,827) and the balance brought forward from the previous year (£12,624), the Council has resolved to transfer £84,170 to the Designated Grants Fund, leaving a balance to be carried forward on the General Fund to the year 2006 of £15,281, of which £45 relates to the estimated value of the unquoted General Fund investment leaving £15,236 as a provision for expenses in 2006. The amount carried forward in the Designated Grants Fund (£85,183) and the balance in hand in the Restricted Funds (£14,817), together provide a total of £100,000 available for grants in the Year 2006 or thereafter.

As in 2004, the Council has decided that the maximum grants for each individual qualifying child/young person should in the Year 2006 remain at £75 and that the maximum for group respite activities and holidays remains at £750.

Auditors

Jacob Cavenagh & Skeet, Chartered Accountants and Registered Auditors, have indicated their willingness to accept re-appointment and a resolution will be proposed at the 2006 Annual General Meeting of the Council of the Fund for their appointment as auditors for the ensuing year at a fee to be agreed with the Council.

On behalf of the Council

A JOHN BALE

Chairman

16 March 2006

PEARSON'S HOLIDAY FUND

Statement of the responsibilities of the Council in relation to the Financial Statements

Company and Charity law requires the Council to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of Pearson's Holiday Fund and of the financial activities for that period. In preparing those Financial Statements the Council are required to

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Fund will continue in business.

The Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and to enable them to ensure that the Financial Statements comply with the Companies Act 1985 and the Charities Act 1993. They are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the Council

A JOHN BALE

Chairman

16 March 2006

PEARSON'S HOLIDAY FUND

Independent Auditor's Report to the Members of Pearson's Holiday Fund

We have audited the Financial Statements of Pearson's Holiday Fund for the year ended 31 December 2005 on pages 9 to 15. These Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed asset investments, and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Council and the Auditors

The Council's (who are also the directors of Pearson's Holiday Fund for the purposes of company law and who are the charitable trustees) responsibilities for preparing the Report of the Council 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 the responsibilities of the Council in relation to the Financial Statements".

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 Companies Act 1985. We also report to you if, in our opinion, the Report of the Council is not consistent with the Financial Statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Council members' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Report of the Council and consider whether it is consistent with the audited Financial Statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

Basis of Audit 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 Council 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 applicable to Smaller Entities, of the state of the charity's affairs at 31 December 2005 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

JACOB CAVENAGH & SKEET

Chartered Accountants
Registered Auditors

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

16 March 2006

PEARSON'S HOLIDAY FUND

Statement of Financial Activities for the year ended 31 December 2005 (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		<u>2005</u>			<u>2004</u>	
	Notes	Unrestricted Funds £	Restricted Fund £	Endowment Fund £	Total £	Total £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Donations received	5	54,064	13,725	-	67,789	108,194
Legacies and Discretionary bequests		40,615	-	-	40,615	76,019
Investment income	6	-	2,736	-	2,736	3,085
Interest received		2,900	-	-	2,900	3,563
Total Incoming Resources		<u>97,579</u>	<u>16,461</u>	<u>-</u>	<u>114,040</u>	<u>190,861</u>
RESOURCES EXPENDED						
Costs of generating funds	7	4,604	-	-	4,604	2,232
Charitable activities	8	143,006	15,213	-	158,219	125,087
Governance costs	11	1,060	-	-	1,060	954
Total Resources Expended		<u>148,670</u>	<u>15,213</u>	<u>-</u>	<u>163,883</u>	<u>128,273</u>
NET INCOME/(EXPENDITURE)		(51,091)	1,248	-	(49,843)	62,588
OTHER RECOGNISED GAINS (LOSSES) re INVESTMENTS:						
On revaluation		-	-	2,998	2,998	714
NET MOVEMENT IN FUNDS		(51,091)	1,248	2,998	(46,845)	63,302
Fund balances brought forward at 1 January		<u>151,555</u>	<u>13,569</u>	<u>52,667</u>	<u>217,791</u>	<u>154,489</u>
Fund balances carried forward at 31 December		<u>£100,464</u>	<u>£14,817</u>	<u>£55,665</u>	<u>£170,946</u>	<u>£217,791</u>

Note:

Having regard to the income received in the Year 2005, the Council of Pearson's Holiday Fund resolved on 8 February 2006 to set aside £100,000 of the balances carried forward at 31 December 2005 to be available for grants to be awarded during the Year 2006 or thereafter (as indicated in the *Review of the Year 2005* on page 6). This amount is made up as to £85,183 from Unrestricted Funds (see also *Note 2 to the Financial Statements* on page 11) and £14,817 from Restricted Funds.

PEARSON'S HOLIDAY FUND

Balance Sheet at 31 December 2005

	Notes	<u>2005</u>			<u>2004</u>	
		Unrestricted Funds £	Restricted Fund £	Endowment Fund £	Total £	Total £
FIXED ASSETS						
Investments	12	45	-	55,665	55,710	52,712
CURRENT ASSETS						
Debtors and prepayments	13	8,637	-	-	8,637	2,013
Cash at bank		92,811	14,817	-	107,628	164,186
		<u>101,448</u>	<u>14,817</u>	<u>-</u>	<u>116,265</u>	<u>166,199</u>
CURRENT LIABILITIES						
Amounts falling due within one year		(1,029)	-	-	(1,029)	(1,120)
		<u>(1,029)</u>	<u>-</u>	<u>-</u>	<u>(1,029)</u>	<u>(1,120)</u>
NET CURRENT ASSETS		<u>100,419</u>	<u>14,817</u>	<u>-</u>	<u>115,236</u>	<u>165,079</u>
NET ASSETS		<u>£100,464</u>	<u>£14,817</u>	<u>£55,665</u>	<u>£170,946</u>	<u>£217,791</u>
Represented by:						
General Fund	2	15,281	-	-	15,281	12,624
Designated Grant Fund	2	85,183	-	-	85,183	138,931
Total Unrestricted Funds	2	<u>100,464</u>	<u>-</u>	<u>-</u>	<u>100,464</u>	<u>151,555</u>
Restricted Fund	3	-	14,817	-	14,817	13,569
Endowment Fund - capital fund	4	-	-	50,000	50,000	50,000
Endowment Fund - revaluation fund	4	-	-	5,665	5,665	2,667
		<u>£100,464</u>	<u>£14,817</u>	<u>£55,665</u>	<u>£170,946</u>	<u>£217,791</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and were approved on behalf of the Council

A JOHN BALE

Chairman

DAVID P GOLDER

Honorary Treasurer

16 March 2006

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2005

1. Accounting Policies

(a) Accounting convention:

The Financial Statements have been prepared under the historical cost convention, as modified by the inclusion of investments on the basis stated in sub-paragraph (d) below, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), the Companies Act 1985, and follow the recommendations in "Accounting and Reporting by Charities: Statement of Recommended Practice" issued in March 2005.

(b) Incoming resources:

Bank interest receivable and Income Tax recoverable are accounted for on an accruals basis. Donations and investment income are accounted for when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies and discretionary bequests, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

(c) Resources expended:

Grants given to assist with the cost of childrens' and young people's holidays/activities are accounted for as granted. Other items are accounted for on an accruals basis.

(d) Fixed asset investments:

Charities Official Investment Fund shares are stated in the accounts at market value. The Unlisted investment, comprising 0.766997% of the issued share capital of Helpcards Holdings Limited, was revalued as at 31 December 2003 at the nominal value of shares, and the Council remains of the opinion that the realisable value in the event of a winding-up is not likely to materially exceed the nominal value of the shares.

The historical cost is set out in Note 12.

(e) Taxation:

The Fund is a registered Charity under the Charities Act 1993 and, therefore, no liability to taxation arises.

2. Unrestricted Funds

The General Fund is available to the Council to use in accordance with the charitable objects.

The Designated Grant Fund relates to the amount set aside by the Council for the payment of grants in the following year and thereafter.

	Balance at 1.1.2005	Incoming Resources	Overhead Costs	Grants paid	Transfers	Balance at 31.12.2005
	£	£	£	£	£	£
General Fund	12,624	97,579	(10,752)	-	(84,170)	15,281
Designated Grant Fund	138,931	-	-	(137,918)	84,170	85,183
	<u>£151,555</u>	<u>£97,579</u>	<u>£(10,752)</u>	<u>£(137,918)</u>	<u>-</u>	<u>£100,464</u>

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2005 (continued)

3. Restricted Fund

The Restricted Fund relates to donations and income which the donors have indicated is to be used for the benefit of children/young people in specific geographical areas of the United Kingdom or who are specifically disadvantaged.

	Balance at 1.1.2005	Incoming Resources	Admin. charge	Grants paid	Balance at 31.12.2005
	£	£	£	£	£
Regional geographical restrictions:					
Greater London	3,600	1,500	(150)	(3,525)	1,425
East Midlands	1,170	1,300	(130)	(1,170)	1,170
North East	900	-	-	(900)	-
North West	1,935	2,050	(205)	(1,535)	2,245
South East	1,350	1,000	(100)	(900)	1,350
South West	270	300	(30)	(270)	270
West Midlands	3,444	7,386	(739)	(3,444)	6,647
Yorkshire	450	1,500	(150)	(450)	1,350
Northern Ireland	450	400	(40)	(450)	360
Other restrictions:					
Children as carers	-	1,025	(102)	(923)	-
	<u>£13,569</u>	<u>£16,461</u>	<u>£(1,646)</u>	<u>£(13,567)</u>	<u>£14,817</u>

The restricted donations have been grouped into regional geographical areas for ease of understanding in these Financial Statements. The specific restrictions are observed when the grants are made.

4. Endowment Fund

The Endowment Fund relates to a grant of £50,000 received in 1996 from the Trustees of the C F Parker Charitable Trust. This grant has been invested in Charities Official Investment Fund shares, the income from which is used to assist in the provision of holidays for needy children in a specific geographical area of Britain.

	Balance at 1.1.2005	Incoming Resources	Resources expended	Unrealised gain (loss)	Balance at 31.12.2005
	£	£	£	£	£
Capital fund	50,000	-	-	-	50,000
Revaluation fund	2,667	-	-	2,998	5,665
	<u>£52,667</u>	<u>-</u>	<u>-</u>	<u>£2,998</u>	<u>£55,665</u>

The revaluation fund is required by the Companies Act 1985 and represents the amount by which the investments exceed their historical cost.

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2005 (continued)

5. Donations received		2005	2004
	Unrestricted Funds	Restricted Fund	Total
	£	£	£
Trusts	38,185	13,725	51,910
Companies and firms	3,016	-	3,016
Individuals	12,863	-	12,863
	<u>£54,064</u>	<u>£13,725</u>	<u>£67,789</u>
			<u>£108,194</u>
6. Investment income		2005	2004
		£	£
Charities Official Investment Fund shares (Endowment Fund) credited to the Restricted Fund		2,736	3,085
		<u>£2,736</u>	<u>£3,085</u>
7. Costs of generating funds		2005	2004
		£	£
Costs of generating voluntary income:			
Fundraiser's fees		2,500	-
General Secretary's fees (part)		500	1,000
Advertising		95	112
Subscriptions and publications		258	99
Printing, postage and stationery		932	1,001
Professional charges		125	-
Sundries (including travel expenses)		44	20
		<u>4,454</u>	<u>2,232</u>
Investment management costs		150	-
		<u>£4,604</u>	<u>£2,232</u>
8. Charitable activities		2005	2004
		£	£
Grants re childrens' and young people's holidays, outings and group respite activities (see Note 9)		151,485	119,502
Support costs (see Note 10)		6,734	5,585
		<u>£158,219</u>	<u>£125,087</u>

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2005 (continued)

9. Grants re childrens' and young people's holidays, outings and group respite activities	<u>2005</u>	<u>2004</u>
	£	£
For the benefit of individual children	86,617	61,942
In response to group applications	65,128	57,695
	<u>151,745</u>	<u>119,637</u>
Less: Refunds of grants made in earlier years	(260)	(135)
	<u>£151,485</u>	<u>£119,502</u>

Further details regarding grants made in the year are provided in the "Review of the Year 2005" in the Report of the Council - see pages 2 to 6.

10. Support costs	<u>2005</u>	<u>2004</u>
	£	£
General Secretary's fees (including accountancy)	4,350	3,500
Secretarial and administration services	1,650	1,500
Printing, postage and stationery	708	474
Bank charges	3	2
Office equipment	-	80
Sundries	23	29
	<u>£6,734</u>	<u>£5,585</u>

11. Governance costs	<u>2005</u>	<u>2004</u>
	£	£
Auditors' fees	836	824
Bank charges (re audit certificates)	20	20
Trustees' travel expenses re Council meetings (see also Note 14)	189	95
Companies House Annual Return fee	15	15
	<u>£1,060</u>	<u>£954</u>

12. Investments	<u>2005</u>	<u>2004</u>
	£	£
At valuation (see Note 1(d)):		
Charities Official Investment Fund shares - Endowment Fund	55,665	52,667
Unlisted investment - General Fund	45	45
	<u>£55,710</u>	<u>£52,712</u>
At historical cost:		
Charities Official Investment Fund shares - Endowment Fund	50,000	50,000
Unlisted investment - General Fund	6,315	6,315
	<u>£56,315</u>	<u>£56,315</u>

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2005 (continued)

13. Debtors	<u>2005</u>	<u>2004</u>
	£	£
Donations and legacies receivable	6,954	250
Income Tax recoverable	1,585	1,713
Interest accrued	69	21
Prepayments	29	29
	<hr/>	<hr/>
	£8,637	£2,013
	<hr/>	<hr/>

14. Staff costs and remuneration of the members of the Council

There were no employees of the Company during the year (2004: Nil).

The members of the Council received no remuneration (2004: Nil)

During the year 2 members of the Council were reimbursed travel expenses in connection with attendance at meetings of the Council totalling £189 (2004: 1 member of the Council - £95).