

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 2007

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PEARSON'S HOLIDAY FUND

Company and General Information

General Secretary

Bryan K H Rogers, FCA

Registered Office

5 Robin Hood Lane, Sutton, Surrey, SM1 2SW

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 Witham Weld
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 2007

The Council, being the Trustees, present their Report and Financial Statements for the year ended 31 December 2007.

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
Janet M Elbourn (*from 10 October 2007*)
David P Golder (Honorary Treasurer)
John F Gore ACIS
Mark A Hutchings BEd (Hons)
Brian D Lewis (*from 10 October 2007*)
Andrew Noble (*to 10 October 2007*)

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 frequently revised *Guidance Notes re Applications for Grants*, the current version of which can be viewed and/or downloaded from the Fund's Website (see page 1) or obtained on request to the General Secretary.

Most applications for grants relating to individual children/young people are submitted by Social Workers, Health Visitors, Doctors, Young carers' organisations, Teachers, Ministers of Religion, etc. When sufficient funds are available, 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 consider 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 2007 (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 2007

During the year the work of Pearson's Holiday Fund has continued (albeit with reduced resources) in attempting to address an ongoing need in our society.

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.

Whereas, in the previous 9 years (1998 to 2006), the Fund had been able to provide grants in excess of £100,000 per annum, the year 2007 was particularly disappointing. The Fund basically operates on the principle that the net income in a Calendar Year (after deduction of administration and fund-raising expenses) provides the basis of the amount available for grants in the following Calendar Year. However, the income received in 2006 was over £30,000 less than that derived in 2005, and £15,000 received late in March 2006 carried a condition that it should be used for grants to be provided in the year of receipt. Thus it was that the Council resolved early in 2007 to make a total of only £52,000 available for grants to be paid in 2007, compared to a total of £115,000 eventually being available in 2006. The Council further decided that grants would only be considered if the disadvantaged children/young people were in families on benefit-level income. It was also decided to concentrate the available resources for the benefit of individual qualifying children/young people and, consequently, no grants were to be provided in 2007 for group respite activities, holidays, etc.

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

	<u>2007</u>			<u>2006</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
Individuals	215	702	50,833	299	914	66,002
Group activities, etc	-	-	-	72	2,047	48,271
	<u>215</u>	<u>702</u>	<u>£50,833</u>	<u>371</u>	<u>2,961</u>	<u>£114,273</u>

continued ...

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2007 (continued)

Review of the Year 2007 (continued)

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

	<u>2007</u>	<u>2006</u>
Mental handicap/impairment and learning difficulties	99	340
Physical handicap	76	382
Abused, at risk and subjected to violence in the home	31	263
Children and young people as carers of parents	17	172
Poor, deprived and disadvantaged	474	1,731
Refugees, homeless, etc.	5	73
	<hr/>	<hr/>
	702	2,961
	<hr/>	<hr/>

The purposes for which grants were awarded in the Year 2007 are summarised below:

	<u>2007</u>			<u>2006</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
Individuals:						
Family holidays	166	569	41,725	223	706	51,475
Family outings	14	31	2,128	58	177	12,370
Individual holidays	16	26	1,850	7	12	900
Individual outings	8	26	1,605	7	9	507
Participation in School trips	11	50	3,525	4	10	750
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	215	702	50,833	299	914	66,002
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Group activities, etc						
School trips	-	-	-	18	294	10,938
Group holidays	-	-	-	41	986	28,265
Group outings	-	-	-	7	435	5,048
Playschemes, etc	-	-	-	6	332	4,020
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	72	2,047	48,271
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	215	702	£50,833	371	2,961	£114,273
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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 subdivided into the recognised regions:

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PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2007 (continued)

Review of the Year 2007 (continued)

	<u>2007</u>			<u>2006</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
England:						
Greater London	49	122	9,150	60	767	22,015
East Midlands region	12	27	1,828	9	229	3,495
East of England region	7	23	1,625	17	51	3,675
North East region	32	158	11,850	23	139	10,125
North West region	48	216	15,150	108	637	32,420
South East region	11	22	1,435	28	276	7,297
South West region	8	15	1,045	11	138	4,325
West Midlands region	15	34	2,550	31	246	6,655
Yorkshire region	14	38	2,850	37	146	9,308
	<u>196</u>	<u>655</u>	<u>47,483</u>	<u>324</u>	<u>2,629</u>	<u>99,315</u>
Scotland	9	24	1,625	18	145	7,375
Wales	3	8	600	9	78	3,233
Northern Ireland	7	15	1,125	19	64	3,600
Organisation working nationally	-	-	-	1	45	750
	<u>215</u>	<u>702</u>	<u>£50,833</u>	<u>371</u>	<u>2,961</u>	<u>£114,273</u>

In the light of the reduced total of £52,000 available for grants in the year under review, the continuing popularity of the Fund meant that by mid-February 2007 we were in the unenviable position of having to reject applications for lack of funds, apart from a small amount that was restricted by donors to assist disadvantaged children/young people living in certain specified geographical areas. During the year 70 applications had to be rejected because the requests did not meet with our own criteria. A further 162 applications for individuals were declined after we had run out of funds: in 102 of these cases the Fund could at least have helped another 300 disadvantaged children/young people at a cost of £22,076 if sufficient funds had been available. In addition, we had to reject 71 applications for group-related grants in the light of the Council's decision not to provide any such grants in the year.

Pearson's Holiday Fund is not an organisation with underlying wealth. It is almost entirely dependent on donations received from grant-making trusts, companies and firms, and individuals. No income is received from Central or Local Government, or even the National Lottery. The Fund has no buildings or offices to maintain: the General Secretary, who is responsible for the detailed administration of the fund, operates from his own home.

The costs of generating income, management, administration and governance in the year 2007 (£14,612) represented 27.83% of the total incoming resources (2006: £14,485 = 17.76%). With effect from 1 February 2007, the Fund used the services of a separate Fundraiser, Mr Andrew Coutts. Unfortunately, Mr Coutts experienced health problems in the period since his appointment and it was only towards the end of the year that he was able to direct his attention to the needs of the Fund. It is the hope of the Council that Mr Coutts' efforts will produce a considerable increase in income in the Year 2008 and this will be closely monitored.

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2007 (continued)

Review of the Year 2007 (continued)

The income received during the year from 30 grant-making Trusts was £34,350 which was very considerably less than the £66,345 (67 trusts) received in the previous year. For many years now, it has been 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.

The income received from just 4 companies and firms amounted to £2,163: this is compared to 4 companies and firms providing us with £975 in the previous year. The income from such sources has steadily declined now over a number of years.

Individual supporters donated £9,062 to the Fund during 2007 (2006: £9,224) and their contributions have been most welcome. The Fund is particularly grateful for the 27 individuals who enhanced their cash donations by signing Gift Aid Declarations in favour of Pearson's Holiday Fund.

The amount received from legacies in 2007 amounted to only £1,849, which compares with £198 received in 2006 and £40,615 received in 2005.

Investment income and interest received in 2007 amounted to £5,071 (2006: £4,837).

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. It has increasingly been used as a means of making information 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 2008

Having regard to the net income in the year 2007 on the General Fund (£27,152) and the balance brought forward from the previous year (£16,632), the Council has resolved to transfer £27,872 to the Designated Grants Fund, leaving a balance to be carried forward on the General Fund to the year 2008 of £15,912, of which £45 relates to the estimated value of the unquoted General Fund investment leaving £15,867 as a provision for expenses in 2008. The amount carried forward in the Designated Grants Fund (£28,276) and the balance in hand in the Restricted Funds (£11,724), together provide a total of £40,000 available for grants in the Year 2008 or thereafter.

The Council has decided that the maximum grants for each individual qualifying child/young person should in the Year 2008 remain at £75 (as has been the case since 2004), emphasis continuing to be applied that such children and young people must be in families on benefit-level income. In view of the severely reduced amount available for grants in 2008, it has again been decided to concentrate the resources that are available for the benefit of individual qualifying disadvantaged children/young people and that, consequently, no grants will be provided in 2008 for group respite activities, holidays, etc. Action is also being taken to restrict the number and amount of grants to some geographical areas with a view to a more even geographical distribution of grants than was achieved in 2006.

PEARSON'S HOLIDAY FUND

Report of the Council for the year ended 31 December 2007 (continued)

Disclosure of information to the auditors

To the knowledge and belief of the Council, there is no relevant information that the charity's auditors are not aware of, and the Council have taken all the steps necessary to ensure that they are aware of any relevant information, and to establish that the charity's auditors are aware of the information.

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

The Council is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Council to prepare Financial Statements for each financial year. Under that law, the Council have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Financial Statements are required by law to give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure of the charity for the year. 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;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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 2008 Annual General Meeting of the Council 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

13 March 2008

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 2007 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 charitable 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 charitable 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 charitable company and its 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 responsibilities of the Council (who are also the directors of Pearson's Holiday Fund for the purposes of company law and who are the charitable trustees) 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" on page 7.

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 whether the information given in the report of the Council is consistent with the financial statements.

In addition we report to you if, in our opinion, the company 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 company 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 charitable company'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 charitable company's affairs as at 31 December 2007 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.

The information given in the report of the Council is consistent with the financial statements.

JACOB CAVENAGH & SKEET

Chartered Accountants
Registered Auditors

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

13 March 2008

PEARSON'S HOLIDAY FUND

Statement of Financial Activities for the year ended 31 December 2007 (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		<u>2007</u>			<u>2006</u>	
	Notes	Unrestricted Funds £	Restricted Fund £	Endowment Fund £	Total £	Total £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Donations received	5	36,325	9,250	-	45,575	76,544
Legacies and Discretionary bequests		1,849	-	-	1,849	198
Investment income	6	-	2,679	-	2,679	2,652
Interest received		2,392	-	-	2,392	2,185
Other income		5	-	-	5	5
Total Incoming Resources		40,571	11,929	-	52,500	81,584
RESOURCES EXPENDED						
Costs of generating funds	7	3,447	-	-	3,447	4,806
Charitable activities	8	44,643	16,120	-	60,763	122,468
Governance costs	11	1,010	-	-	1,010	959
Total Resources Expended		49,100	16,120	-	65,220	128,233
NET INCOME/(EXPENDITURE)		(8,529)	(4,191)	-	(12,720)	(46,649)
OTHER RECOGNISED GAINS (LOSSES) re INVESTMENTS:						
On revaluation		-	-	14	14	(187)
NET MOVEMENT IN FUNDS		(8,529)	(4,191)	14	(12,706)	(46,836)
Fund balances brought forward at 1 January		52,717	15,915	55,478	124,110	170,946
Fund balances carried forward at 31 December		£44,188	£11,724	£55,492	£111,404	£124,110

Note:

Having regard to the income received in the Year 2007, the Council of Pearson's Holiday Fund resolved on 10 October 2007 to set aside £40,000 of the balances carried forward at 31 December 2007 to be available for grants to be awarded during the Year 2008 or thereafter (as indicated in the *Review of the Year 2007* on page 6). This amount is made up as to £28,276 from Unrestricted Funds (see also *Note 2 to the Financial Statements* on page 11) and £11,724 from Restricted Funds.

PEARSON'S HOLIDAY FUND

Balance Sheet at 31 December 2007

		<u>2007</u>			<u>2006</u>	
	Notes	Unrestricted Funds £	Restricted Fund £	Endowment Fund £	Total £	Total £
FIXED ASSETS						
Investments	12	45	-	55,492	55,537	55,523
CURRENT ASSETS						
Debtors and prepayments	13	828	-	-	828	1,174
Cash at bank		44,596	11,724	-	56,320	68,503
		<u>45,424</u>	<u>11,724</u>	<u>-</u>	<u>57,148</u>	<u>69,677</u>
CURRENT LIABILITIES						
Amounts falling due within one year		(1,281)	-	-	(1,281)	(1,090)
		<u>(1,281)</u>	<u>-</u>	<u>-</u>	<u>(1,281)</u>	<u>(1,090)</u>
NET CURRENT ASSETS		<u>44,143</u>	<u>11,724</u>	<u>-</u>	<u>55,867</u>	<u>68,587</u>
NET ASSETS		<u>£44,188</u>	<u>£11,724</u>	<u>£55,492</u>	<u>£111,404</u>	<u>£124,110</u>
Represented by:						
General Fund	2	15,912	-	-	15,912	16,632
Designated Grant Fund	2	28,276	-	-	28,276	36,085
Total Unrestricted Funds	2	<u>44,188</u>	<u>-</u>	<u>-</u>	<u>44,188</u>	<u>52,717</u>
Restricted Fund	3	-	11,724	-	11,724	15,915
Endowment Fund - capital fund	4	-	-	50,000	50,000	50,000
Endowment Fund - revaluation fund	4	-	-	5,492	5,492	5,478
		<u>£44,188</u>	<u>£11,724</u>	<u>£55,492</u>	<u>£111,404</u>	<u>£124,110</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

13 March 2008

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2007

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 1.1.2007	Incoming Resources	Overhead Costs	Grants paid	Transfers	Balance at 31.12.2007
	£	£	£	£	£	£
General Fund	16,632	40,571	(13,419)	-	(27,872)	15,912
Designated Grant Fund	36,085	-	-	(35,681)	27,872	28,276
	<u>£52,717</u>	<u>£40,571</u>	<u>£(13,419)</u>	<u>£(35,681)</u>	<u>-</u>	<u>£44,188</u>

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2007 (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 1.1.2007	Incoming Resources	Admin. charge	Grants paid	Balance at 31.12.2007
	£	£	£	£	£
Regional geographical restrictions:					
Greater London	2,700	-	-	(1,800)	900
East Midlands	900	-	-	(900)	-
North East	5,940	1,000	(100)	(5,940)	900
North West	900	2,850	(285)	(900)	2,565
South East	1,243	1,000	(100)	(1,230)	913
South West	-	-	-	-	-
West Midlands	2,612	7,079	(708)	(2,537)	6,446
Yorkshire	1,350	-	-	(1,350)	-
Northern Ireland	270	-	-	(270)	-
	<u>£15,915</u>	<u>£11,929</u>	<u>£(1,193)</u>	<u>£(14,927)</u>	<u>£11,724</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 1.1.2007	Incoming Resources	Resources expended	Unrealised gain (loss)	Balance at 31.12.2007
	£	£	£	£	£
Capital fund	50,000	-	-	-	50,000
Revaluation fund	5,478	-	-	15	5,493
	<u>£55,478</u>	<u>-</u>	<u>-</u>	<u>£15</u>	<u>£55,493</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 2007 (continued)

5. Donations received		<u>2007</u>	<u>2006</u>
	Unrestricted Funds	Restricted Fund	Total
	£	£	£
Trusts	25,100	9,250	34,350
Companies and firms	2,163	-	2,163
Individuals	9,062	-	9,062
	<u>£36,325</u>	<u>£9,250</u>	<u>£45,575</u>
			<u>£76,544</u>
6. Investment income		<u>2007</u>	<u>2006</u>
		£	£
Charities Official Investment Fund shares (Endowment Fund) credited to the Restricted Fund		2,679	2,652
		<u>£2,679</u>	<u>£2,652</u>
7. Costs of generating funds		<u>2007</u>	<u>2006</u>
		£	£
Costs of generating voluntary income:			
Fundraiser's fees		2,917	2,500
General Secretary's fees (part)		-	500
Advertising		95	230
Subscriptions and publications		109	198
Printing, postage and stationery		168	1,228
Sundries (including travel expenses)		8	-
		<u>3,297</u>	<u>4,656</u>
Investment management costs		150	150
		<u>£3,447</u>	<u>£4,806</u>
8. Charitable activities		<u>2007</u>	<u>2006</u>
		£	£
Grants re childrens' and young people's holidays, outings and group respite activities (see Note 9)		50,608	113,748
Support costs (see Note 10)		10,155	8,720
		<u>£60,763</u>	<u>£122,468</u>

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2007 (continued)

9. Grants re childrens' and young people's holidays, outings and group respite activities	<u>2007</u>	<u>2006</u>
	£	£
For the benefit of individual children	50,833	66,602
In response to group applications	-	48,271
	<hr/>	<hr/>
	50,833	114,273
<i>Less: Refunds of grants made in earlier years</i>	<i>(225)</i>	<i>(525)</i>
	<hr/>	<hr/>
	£50,608	£113,748
	<hr/> <hr/>	<hr/> <hr/>

Further details regarding grants made in the year are provided in the "Review of the Year 2007" in the Report of the Council - see pages 2 to 6.

10. Support costs	<u>2007</u>	<u>2006</u>
	£	£
General Secretary's fees (including accountancy)	7,500	6,063
Secretarial and administration services	2,500	2,187
Printing, postage and stationery	153	466
Bank charges	2	4
Sundries	-	-
	<hr/>	<hr/>
	£10,155	£8,720
	<hr/> <hr/>	<hr/> <hr/>

11. Governance costs	<u>2007</u>	<u>2006</u>
	£	£
Auditors' fees	969	924
Bank charges (re audit certificates)	20	20
Trustees' travel expenses re Council meetings (see also Note 14)	6	-
Companies House Annual Return fee	15	15
	<hr/>	<hr/>
	£1,010	£959
	<hr/> <hr/>	<hr/> <hr/>

12. Investments	<u>2007</u>	<u>2006</u>
	£	£
At valuation (see Note 1(d)):		
Charities Official Investment Fund shares - Endowment Fund	55,492	55,478
Unlisted investment - General Fund	45	45
	<hr/>	<hr/>
	£55,537	£55,523
	<hr/> <hr/>	<hr/> <hr/>
At historical cost:		
Charities Official Investment Fund shares - Endowment Fund	50,000	50,000
Unlisted investment - General Fund	6,315	6,315
	<hr/>	<hr/>
	£56,315	£56,315
	<hr/> <hr/>	<hr/> <hr/>

PEARSON'S HOLIDAY FUND

Notes forming part of the Financial Statements for the year ended 31 December 2007 (continued)

13. Debtors	<u>2007</u>	<u>2006</u>
	£	£
Donations receivable	165	-
Income Tax recoverable	594	1,113
Interest accrued	40	32
Prepayments	29	29
	<hr/>	<hr/>
	£828	£1,174
	<hr/> <hr/>	<hr/> <hr/>

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

There were no employees during the year (2006: Nil).

The members of the Council received no remuneration (2006: Nil)

During the year 1 member of the Council was reimbursed travel expenses in connection with attendance at meetings of the Council at a cost of £6 (2006: 0 members of the Council, at a cost of £nil).