

# **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 2008**

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# PEARSON'S HOLIDAY FUND

## Company and General Information

### **Patron**

Her Majesty The Queen

### **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

### **Web-site**

[www.pearsonsholidayfund.org](http://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 2008

The Council, being the Trustees, present their Report and Financial Statements for the year ended 31 December 2008.

### Constitution

Pearson's Holiday Fund is Company No. 107843, limited by guarantee and not having a share capital, which is governed by a Memorandum and Articles of Association. The liability of each member is limited to £1. It is also 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  
David P Golder (Honorary Treasurer)  
John F Gore ACIS  
Mark A Hutchings BEd (Hons)  
Brian D Lewis (to 27 November 2008)

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

### Objects of the Charity

The Fund was founded in 1892 as 'The Fresh Air Fund' by Cyril Arthur Pearson, who, in 1900, founded and edited the *Daily Express*. In 1920, the Fund was registered under the Companies Act as 'Pearson's Fresh Air Fund' with trustees who were then all connected with the newspaper trade. In 1981 the Fund's name was changed to its present form.

The present activity of the Fund is the making of 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 Web-site (see page 1) or obtained on request to the General Secretary.

All applications for grants relating to individual children/young people have to be submitted by appropriate third party referring agencies. The Fund does not consider direct applications from families, who are advised that they must ask a relevant third party referring agency to submit an application on their behalf.

The Council is of the opinion that, in the light of the foregoing statements and the other information contained in this Report and the Financial Statements, the charity operates for the public benefit in the area of relief of poverty.

# PEARSON'S HOLIDAY FUND

## Report of the Council for the year ended 31 December 2008 (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 2008

During the year the work of Pearson's Holiday Fund has continued 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. However, due to the reduction of income which the Fund has experienced in more recent years, no group-related grants have been offered or provided since 2006. With effect from 2008, the maximum grant for the children/young people in any one family has been restricted to £500.

The Fund basically operates on the principle that the gross income in the previous Calendar Year, less a deduction intended to cover a full year's support costs, fund-raising, and governance expenses, broadly determines the amount available for grants in the year. On this basis, the gross income received in 2007 (£52,500) was reduced by a provision of £12,500, leaving £40,000 available for grants to be provided in 2008. The Council further decided that grants would (as in the previous year) only be considered if the disadvantaged children/young people were in families on benefit-level income. It was again decided to concentrate the available resources for the benefit of individual qualifying children/young people and, consequently, no grants were to be provided in 2008 for group respite activities, holidays, etc.

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

	<u>2008</u>			<u>2007</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
Individuals	194	504	36,423	215	702	50,833
Group activities, etc	-	-	-	-	-	-
	<u>194</u>	<u>504</u>	<u>£36,423</u>	<u>215</u>	<u>702</u>	<u>£50,833</u>

continued ...

# PEARSON'S HOLIDAY FUND

## Report of the Council for the year ended 31 December 2008 (continued)

### Review of the Year 2008 (continued)

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

	<u>2008</u>	<u>2007</u>
Mental handicap/impairment and learning difficulties	81	99
Physical handicap	49	76
Abused, at risk and subjected to violence in the home	70	31
Children and young people as carers of parents	26	17
Poor, deprived and disadvantaged	274	474
Refugees, homeless, etc.	4	5
	<hr/>	<hr/>
	504	702
	<hr/> <hr/>	<hr/> <hr/>

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

	<u>2008</u>			<u>2007</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
Individuals:						
Family holidays	134	405	29,330	166	569	41,725
Family outings	19	46	3,151	14	31	2,128
Individual holidays	15	23	1,725	16	26	1,850
Individual outings	2	3	222	8	26	1,605
Participation in School trips	24	27	1,995	11	50	3,525
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	194	504	£36,423	215	702	£50,833
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<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:

continued ...

# PEARSON'S HOLIDAY FUND

## Report of the Council for the year ended 31 December 2008 (continued)

### Review of the Year 2008 (continued)

	<u>2008</u>			<u>2007</u>		
	No. of grants	Number benefiting	Value of grants	No. of grants	Number benefiting	Value of grants
England:						
Greater London	39	122	8,875	49	122	9,150
East Midlands region	10	16	1,200	12	27	1,828
East of England region	11	20	1,465	7	23	1,625
North East region	13	53	3,850	32	158	11,850
North West region	26	86	6,300	48	216	15,150
South East region	17	29	2,077	11	22	1,435
South West region	10	25	1,750	8	15	1,045
West Midlands region	23	54	3,611	15	34	2,550
Yorkshire region	22	45	3,325	14	38	2,850
	171	450	32,453	196	655	47,483
Scotland	16	40	2,920	9	24	1,625
Wales	5	10	750	3	8	600
Northern Ireland	2	4	300	7	15	1,125
	194	504	£36,423	215	702	£50,833

In the light of the total of £40,000 available for grants in the year under review, the continuing popularity of the Fund meant that by mid-April 2008 we had no option other than 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 78 applications had to be rejected because the requests did not meet with our own criteria. A further 213 applications for individuals were declined after available funds had been exhausted: in 149 of these cases the applications as submitted were sufficiently complete that the Fund could at least have helped another 539 disadvantaged children/young people at a cost of £39,255 if more funds had been available. In addition, 26 applications for group-related grants were rejected 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 and governance in the year 2008 (£6,424) represented 10.60% of the total incoming resources (2007: £5,207 = 9.92%). With effect from 1 February 2007, the Fund appointed a separate Fundraiser, Mr Andrew Coutts. However, circumstances arose during 2008 which made it necessary to terminate the arrangements with Mr Coutts with effect from 31 August 2008 since when the General Secretary has had to undertake the fund-raising role alongside his other responsibilities. Some fund-raising consultancy advice has been obtained during the closing months of the year.

# PEARSON'S HOLIDAY FUND

## Report of the Council for the year ended 31 December 2008 (continued)

### Review of the Year 2008 (continued)

The income received during the year from 62 grant-making Trusts amounted to £42,200 which compared with £34,350 received from 30 grant-making Trusts in the previous year. It has long 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 6 companies and firms amounted to £1,873: this is compared to 4 companies and firms providing us with £2,163 in the previous year. The income from such sources has steadily declined over recent years.

Individual supporters donated £11,012 to the Fund during 2008 (2007: £9,062) and their contributions have been most welcome. The Fund is particularly grateful for the 26 individuals whose cash donations in the year were enhanced by Gift Aid Declarations in favour of Pearson's Holiday Fund.

Only £500 was received in the form of legacies in 2008. The corresponding figure in 2007 was £1,849.

Investment income and interest received in 2008 amounted to £4,946 (2007: £5,071).

No donations in kind were received during the year.

The Fund's own Web-site ([www.pearsonsholidayfund.org](http://www.pearsonsholidayfund.org)) has remained in place throughout the year and has been updated appropriately from time to time. It is increasingly used as a means of making information available regarding the purposes for which the Fund exists, the method of operation, criteria, application requirements, 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 2009

Having regard to the net income in the year 2008 on the General Fund (£29,709) and the balance brought forward from the previous year (£15,912), the Council has resolved to transfer £30,654 to the Designated Grants Fund, leaving a balance to be carried forward on the General Fund to the year 2009 of £14,967, of which £45 relates to the estimated value of the unquoted General Fund investment leaving £14,922 as a provision for operating expenses in 2009. The amount carried forward in the Designated Grants Fund (£30,630) and the balance in hand in the Restricted Funds (£19,370), together provide a total of £50,000 available for grants in the Year 2009 or thereafter.

The Council has decided that the maximum grants for each individual qualifying child/young person should in the Year 2009 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 relatively small amount available for grants in 2009, 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 2009 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 achieving so far as is reasonably possible an even distribution of the funds available between areas of the United Kingdom. Furthermore, children/young people and families who were awarded grants in 2008 will not be eligible for grants in 2009.

# PEARSON'S HOLIDAY FUND

## Report of the Council for the year ended 31 December 2008 (continued)

### Expressions of appreciation received during 2008

As the Fund only responds to applications for grants from appropriate Third Party Referring Agencies, it is almost inevitable that few ultimate beneficiaries of grants from the Fund will take the trouble to write directly to express their appreciation of grants received. However, some such letters were received in 2008 and extracts therefrom are quoted below:

*From a family in the North East of England (March 2008):*

Thank you for choosing our family to receive the generous sum of £375.

We can't think of adequate words to express our deepfelt appreciation. We look forward to a beautiful family holiday this summer. Thank you so much.

*From another family in the North East of England (July 2008):*

Thank you so much for the generous donation you awarded us for our upcoming holiday. It makes such a difference to the children to be able to get away and refresh themselves before the start of the new academic year.

Looking forward to an enjoyable summer and wishing you a refreshing holiday.

*From a PE Co-ordinator in a school (July 2008):*

We just wanted to thank you for your support (of the 6 pupils) to attend our Outdoor Pursuits Residentials this year.

Needless to say, all the young people had a fantastic time (despite the weather!!) and learnt so much about independence and personal development, team work and relationships as well as being challenged physically in so many ways. All of the young people have a bank of fantastic memories and experiences to build on for the future.

Thank you for your part in this - we appreciate you and the work you do.

*From a Project Worker in the Yorkshire area (July 2008):*

Thank you. I made an application to your organisation in March for a family I was working with. The money you provided enabled the family to go away together so they could mark the anniversary of their sister's death. Following the bereavement, the family had found it difficult to cope and communication and relations within the family had broken down. The time spent away allowed the family to bond again and was greatly appreciated by all.

*From a Church-related group in the North West of England (August 2008):*

Apologies for the delay in writing to say a big THANK YOU for your support and generosity which enabled several young people to join our young people's trip away this summer. Needless to say, we had a fantastic time and all the young people have returned full of excitement and great stories about the adventures they had - as well as insisting we book something similar for next year!!

So please accept our thanks on behalf of (6 youngsters). All the girls excelled themselves in their level of participation, co-operation and enjoyment.

Please convey our thanks to those in your organisation concerned and be assured of our great appreciation of your work.

*From a Children and Families Worker in the North West of England (August 2008):*

On behalf of S and mum L, I am writing to thank you for financially supporting them with regard to spending money for their week's holiday staying at the caravan park in Fleetwood at the end of July. As you are aware, there is very little spare money for parents when they are living on benefits and your charity's donation helped them tremendously in enjoying a much needed break.

Very many thanks for all your help, not only with this family but other families you have helped in previous years.

*From a family in the North East of England (September 2008):*

We would like to express our heartfelt thanks to you for the generous grant of £375 which we received from the Holiday Fund. With the help of this grant, we were able to take the family on holiday in August. All the children really enjoyed their break and came back refreshed and invigorated, ready to start the new school year. We are very grateful to you for making all of this possible.

These extracts provide further evidence that the Fund operates for the public benefit.

# PEARSON'S HOLIDAY FUND

## Report of the Council for the year ended 31 December 2008 (continued)

### Risk management

The Council is aware that current legislation requires that the annual report contains a statement as to whether the charity trustees have given consideration to the major risks to which the charity is exposed and systems designed to manage those risks. The Council believes that it is already aware of the major risks to which the charity could be exposed and, having regard to the size of the charity and so far as is practicable, is satisfied that systems are in place to mitigate the effect of such risks if they were to materialise. The Council will continue to review their consideration of the risks from time to time.

### 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. The Council is also responsible for the maintenance and integrity of the corporate and financial information included on the charity's web-site: legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### 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 2009 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**

26 March 2009

Chairman

# 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 2008 on pages 10 to 16. 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 8.

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 2008 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  
26 March 2009

# PEARSON'S HOLIDAY FUND

## Statement of Financial Activities for the year ended 31 December 2008 (incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		<u>2008</u>			<u>2007</u>	
	Notes	Unrestricted Funds £	Restricted Fund £	Endowment Fund £	Total £	Total £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Donations received	5	40,335	14,750	-	55,085	45,575
Legacies and Discretionary bequests		500	-	-	500	1,849
Investment income	6	-	2,771	-	2,771	2,679
Interest received		2,175	-	-	2,175	2,392
Other income		55	-	-	55	5
Total Incoming Resources		43,065	17,521	-	60,586	52,500
<b>RESOURCES EXPENDED</b>						
Costs of generating funds	7	5,037	-	-	5,037	3,822
Charitable activities	8	35,232	9,875	-	45,107	60,013
Governance costs	11	1,387	-	-	1,387	1,385
Total Resources Expended		41,656	9,875	-	51,531	65,220
<b>NET INCOME/(EXPENDITURE)</b>		1,409	7,646	-	9,055	(12,720)
<b>OTHER RECOGNISED GAINS (LOSSES) re INVESTMENTS:</b>						
On revaluation		-	-	(3,398)	(3,398)	14
<b>NET MOVEMENT IN FUNDS</b>		1,409	7,646	(3,398)	5,657	(12,706)
Fund balances brought forward at 1 January		44,188	11,724	55,492	111,404	124,110
<b>Fund balances carried forward at 31 December</b>		<u>£45,597</u>	<u>£19,370</u>	<u>£52,094</u>	<u>£117,061</u>	<u>£111,404</u>

### Note:

Having regard to the income received in the Year 2008, the Council of Pearson's Holiday Fund resolved on 9 October 2008 to set aside £50,000 of the balances carried forward at 31 December 2008 to be available for grants to be awarded during the Year 2009 or thereafter (as indicated in the *Report of the Council* on page 6). This amount is made up as to £45,597 from Unrestricted Funds (see also *Note 2 to the Financial Statements* on page 12) and £19,370 from Restricted Funds.

# PEARSON'S HOLIDAY FUND

## Balance Sheet at 31 December 2008

	Notes	<u>2008</u>			<u>2007</u>	
		Unrestricted Funds £	Restricted Fund £	Endowment Fund £	Total £	Total £
<b>FIXED ASSETS</b>						
Investments	12	45	-	52,094	52,139	55,537
<b>CURRENT ASSETS</b>						
Debtors and prepayments	13	1,792	-	-	1,792	828
Cash at bank		45,051	19,370	-	64,421	56,320
		46,843	19,370	-	66,213	57,148
<b>CURRENT LIABILITIES</b>						
Amounts falling due within one year		(1,291)	-	-	(1,291)	(1,281)
		(1,291)	-	-	(1,291)	(1,281)
<b>NET CURRENT ASSETS</b>						
		45,552	19,370	-	64,922	55,867
<b>NET ASSETS</b>						
		£45,597	£19,370	£52,094	£117,061	£111,404
<b>Represented by:</b>						
General Fund	2	14,967	-	-	14,967	15,912
Designated Grant Fund	2	30,630	-	-	30,630	28,276
Total Unrestricted Funds	2	45,597	-	-	45,597	44,188
Restricted Fund	3	-	19,370	-	19,370	11,724
Endowment Fund - capital fund	4	-	-	50,000	50,000	50,000
Endowment Fund - revaluation fund	4	-	-	2,094	2,094	5,492
		£45,597	£19,370	£52,094	£117,061	£111,404

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

26 March 2009

# PEARSON'S HOLIDAY FUND

## Notes forming part of the Financial Statements for the year ended 31 December 2008

### 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 2007), 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 1.1.2008	Incoming Resources	Overhead Costs	Grants paid	Transfers	Balance at 31.12.2008
	£	£	£	£	£	£
General Fund	15,912	43,065	(13,356)	-	(30,654)	14,967
Designated Grant Fund	28,276	-	-	(28,300)	30,654	30,630
	<u>£44,188</u>	<u>£43,065</u>	<u>£(13,356)</u>	<u>£(28,300)</u>	<u>-</u>	<u>£45,597</u>

# PEARSON'S HOLIDAY FUND

## Notes forming part of the Financial Statements for the year ended 31 December 2008 (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 1.1.2008	Incoming Resources	Cont. to Support Costs	Grants paid	Balance at 31.12.2008
	£	£	£	£	£
Regional geographical restrictions:					
Greater London	900	3,500	(350)	(150)	3,900
East Midlands	-	1,500	(150)	-	1,350
East of England	-	1,000	(100)	-	900
North East	900	3,500	(350)	(900)	3,150
North West	2,565	800	(80)	(2,565)	720
South East	913	700	(70)	(897)	646
South West	-	250	(25)	-	225
West Midlands	6,446	3,271	(327)	(3,611)	5,779
Yorkshire	-	2,250	(225)	-	2,025
Northern Ireland	-	500	(50)	-	450
Other restrictions:					
Disabled children/young people	-	250	(25)	-	225
	<u>£11,724</u>	<u>£17,521</u>	<u>£(1,752)</u>	<u>£(8,123)</u>	<u>£19,370</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 1.1.2008	Incoming Resources	Resources expended	Unrealised gain (loss)	Balance at 31.12.2008
	£	£	£	£	£
Capital fund	50,000	-	-	-	50,000
Revaluation fund	5,492	-	-	(3,398)	2,094
	<u>£55,492</u>	<u>-</u>	<u>-</u>	<u>£(3,398)</u>	<u>£52,094</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 2008 (continued)

<b>5. Donations received</b>		<b>2008</b>		<b>2007</b>
	Unrestricted Funds	Restricted Fund	Total	
	£	£	£	£
Trusts	27,450	14,750	42,200	34,350
Companies and firms	1,873	-	1,873	2,163
Individuals	11,012	-	11,012	9,062
	<u>£40,335</u>	<u>£14,750</u>	<u>£55,085</u>	<u>£45,575</u>
<b>6. Investment income</b>		<b>2008</b>		<b>2007</b>
		£		£
Charities Official Investment Fund shares (Endowment Fund) credited to the Restricted Fund		2,771		2,679
		<u>£2,771</u>		<u>£2,679</u>
<b>7. Costs of generating funds</b>		<b>2008</b>		<b>2007</b>
		£		£
Costs of generating voluntary income:				
Fundraiser's fees		3,333		2,917
Fundraising consultancy		150		-
General Secretary's fees (part)		1,125		375
Advertising		95		95
Subscriptions and publications		-		109
Printing, postage and stationery		196		168
Sundries (including travel expenses)		138		8
		<u>5,037</u>		<u>3,672</u>
Investment management costs		-		150
		<u>£5,037</u>		<u>£3,822</u>
<b>8. Charitable activities</b>		<b>2008</b>		<b>2007</b>
		£		£
Grants re childrens' and young people's holidays, outings and group respite activities (see Note 9)		36,423		50,608
Support costs (see Note 10)		8,684		9,405
		<u>£45,107</u>		<u>£60,013</u>

# PEARSON'S HOLIDAY FUND

## Notes forming part of the Financial Statements for the year ended 31 December 2008 (continued)

<b>9. Grants re childrens' and young people's holidays, outings and group respite activities</b>	<b><u>2008</u></b>	<b><u>2007</u></b>
	£	£
For the benefit of individual children	36,423	50,833
In response to group applications	-	-
	<hr/>	<hr/>
	36,423	50,833
Less: Refunds of grants made in earlier years	-	(225)
	<hr/>	<hr/>
	<u>£36,423</u>	<u>£50,608</u>

Further details regarding grants made in the year are provided in the "Review of the Year 2008" in the Report of the Council - see pages 2 to 8.

<b>10. Support costs</b>	<b><u>2008</u></b>	<b><u>2007</u></b>
	£	£
General Secretary's fees (part) (including accountancy)	6,000	6,750
Secretarial services	2,500	2,500
Printing, postage and stationery	176	153
Bank charges	-	2
Sundries	8	-
	<hr/>	<hr/>
	<u>£8,684</u>	<u>£9,405</u>

<b>11. Governance costs</b>	<b><u>2008</u></b>	<b><u>2007</u></b>
	£	£
Auditors' fees	977	969
General Secretary's fees (part)	375	375
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/>
	<u>£1,387</u>	<u>£1,385</u>

<b>12. Investments</b>	<b><u>2008</u></b>	<b><u>2007</u></b>
	£	£
At valuation (see Note 1(d)):		
Charities Official Investment Fund shares - Endowment Fund	52,094	55,492
Unlisted investment - General Fund	45	45
	<hr/>	<hr/>
	<u>£52,139</u>	<u>£55,537</u>
At historical cost:		
Charities Official Investment Fund shares - Endowment Fund	50,000	50,000
Unlisted investment - General Fund	6,315	6,315
	<hr/>	<hr/>
	<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 2008 (continued)

13. Debtors	<u>2008</u>	<u>2007</u>
	£	£
Donations receivable	1,000	165
Income Tax recoverable	742	594
Interest accrued	21	40
Prepayments	29	29
	<hr/>	<hr/>
	£1,792	£828
	<hr/>	<hr/>

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

There were no employees during the year (2007: Nil).

The members of the Council received no remuneration (2007: Nil)

During the year no member of the Council was reimbursed travel expenses in connection with attendance at meetings of the Council (2007: 1 member of the Council, at a cost of £6).