

The Jack Petchey Foundation

Charity Number. 1076886



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REPORT & ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2010

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Charity Number: 1076886

Founder Patron: Jack Petchey OBE

Patron: Dame Helen Mirren DBE

Vice Patrons: Tim Campbell
Claire Sweeney

Trustees: The Jack Petchey Foundation Company
(registered number 06236333)

Senior Staff:

UK

Trudy Kilcullen	Chief Operations Officer
Lee Thompson	Head of Events

PORTUGAL

Helen Fennell	Manager JPF Portugal
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Auditors: Kingston Smith LLP
Orbital House
20 Eastern Road
Romford
Essex, RM1 3PJ

Bankers: HSBC
7B, The Water Gardens
South Gate, Harlow, Essex, CM20 1AB

The Royal Bank of Scotland
62/63 Threadneedle Street
PO Box 412
London EC2R 8LA



TRUSTEES REPORT

WHO IS JACK PETCHEY?

Jack Petchey was born in 1925 and brought up in the East End of London with few luxuries. At 14, he left school to work in an office for twelve shillings and six pence (62.5p) a week.

After the war he set up his own car hire business, which developed into car sales and by 1959 he was selling nearly 20 cars a week and had 40 hire cars on the road.

By 1969 Jack Petchey had branched out into property development and through this became a leading entrepreneur and one of the most successful businessmen in Britain. He is still actively involved in many businesses and charitable enterprises.



Jack Petchey OBE

A biography of his life has been written entitled “50/50 Man” ~ available from the Foundation at the discounted price of £5.00.

PRIMARY OBJECTIVE OF THE JACK PETCHEY FOUNDATION

The Jack Petchey Foundation aims to support young people aged 11~25 particularly across London and Essex but also in other locations across Britain and throughout the world to achieve their potential and contribute to society.

The Foundation funds and supports youth programmes through schools and youth organisations in the statutory and voluntary sector.

The Jack Petchey Foundation is governed by a trust declaration dated 18th March 1999 (amended 27th July 1999).

Since its formation in 1999 over £65 million has been distributed through grants.

PUBLIC BENEFIT

The Directors of Jack Petchey Foundation Company have referred to the guidance in the Charity Commission’s general guidance on Public Benefit when reviewing aims and objectives and in planning future activities. The Grant Making policies of the Foundation comply with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit. The Directors consider how planned activities will contribute to the aims and objectives they have set to further the Foundation’s charitable purposes for the public benefit.

AREAS OF OPERATION



ENGLAND

The Jack Petchey Foundation began in East London but its area of operation is now:



All London Boroughs, UK

The whole of Essex, UK



PORTUGAL

In January 2004 the Foundation introduced a programme in the Algarve, Portugal. The Foundation focused initially on the Albufeira District. In July 2005 the Loulé District was included and in January 2006, Silves District.

The objectives of the work in Portugal are the same as those established in the UK.

ACHIEVEMENTS TO DATE

The Jack Petchey Foundation celebrated its 10th anniversary in 2009/10. The following has been achieved during the first 11 years:

- grants totalling over £65 million have been given to youth and school projects.
- over 12,000 Achievement Awards are made to young people each year contributing millions of pounds to support their youth organisation/school.
- the Jack Petchey Achievement Award Scheme operates in over 2,000 schools and youth groups.
- over 75 presentation ceremonies each year highlight the achievements of young people and promote a positive perception of youth.
- nearly all the uniformed youth organisations in London and Essex benefit from grants, including Army Cadets, Police Cadets, Sea Cadets, Air Cadets, Scouts, Guides, Boys' Brigades, Girls' Brigades and St John Ambulance.
- the "Jack Petchey Speak Out Challenge!" ~ is now the largest speaking competition for young people in the world.
- the "Jack Petchey Foundation Step into Dance" programme in partnership with the Royal Academy of Dance now operates in 150 schools.
- sponsorship of many overseas/community projects including: Fulcrum Challenge, Raleigh International, Groundwork East London, Schools Worldwide.
- the Foundation has assisted over 76 schools in raising funds to obtain Specialist School Status.
- approx. £5.5 million has been given to support "Out of School Hours" or "Study Support" programmes ~ for example in Tower Hamlets, Barking & Dagenham, Newham and Waltham Forest.
- £500,000 given to establish the "Centre for Entrepreneurship" at the University of East London which opened in 2009.
- £1.7 million to support the Summer Uni programme in all London boroughs.
- £1 million given to enable the Sea Cadets to purchase a training ship ~ TS Jack Petchey.
- £1 million to establish an accommodation lodge at Gilwell Park Scout Activity Centre.
- sponsorship of the Petchey Academy in Hackney which had a very successful Ofsted monitoring visit in January 2009.
- many millions of pounds given to support youth sports programmes, performing arts, training schemes, mentoring and counselling programmes across London and Essex.



ACHIEVEMENTS IN 2010

- **TOTAL GRANTS**

In 2010 JPF received 2,013 requests for funding and was able to support 1,861 of these to a total value of £4,073,487.

The total value of grants awarded since the Foundation was formally established in September 1999 was £65 million by the end of 2010.

- **PROJECT GRANTS 2010**

Project Grants administered in 2010 amounted to £1,330,164. A breakdown of the larger grants is on Page 7.

- **ACHIEVEMENT AWARD GRANTS 2010**

There were 2,053 schemes operating in 2010. The total value of awards during the year was £2,625,148.

- **LEADER AWARDS 2010**

The Leader Award programme, attached to the Achievement Award Scheme, for teachers and youth leaders in London, Essex and Portugal continued and 559 awards were approved.

- **SMALL GRANTS SCHEME**

A new small grants scheme for groups operating the Achievement Award programme effectively was introduced in September 2009. 214 applications were received this year and 170 applications were approved with £82,993 being distributed.

- **SPECIALIST SCHOOL STATUS**

Since 1999, the Foundation has given grants to 76 secondary schools to enable them to obtain Specialist School Status. One of these grants was administered in 2010 following successful school application to DCSF.



Achievement Award Winners - Camden Regional Awards Presentation 2010

TRUSTEES & MANAGEMENT

1. The Trustee of the charity is 'The Jack Petchey Foundation Company'. The Directors of The Jack Petchey Foundation Company are :

Ron Mills
Ray Rantell
Graham Adams
Barbara Staines

Directors stand for re-election every 3 years.

2. The Foundation is managed on a day to day basis by the Chief Operations Officer, Trudy Kilcullen.
3. Grant applications are considered monthly at the management meetings.
4. The Jack Petchey Foundation Company are not actively seeking new Directors at this time.

FINANCIAL REVIEW

The Directors of The Jack Petchey Foundation Company considered the results for the year to be satisfactory.

The Directors have only made commitments to grants which can be fulfilled and they have not over-burdened the charity. At the year end the charity has a small amount of funds in reserve and the Trustees have written assurance from the Directors of Incorporated Holdings Limited and its subsidiaries, the main funder of the Jack Petchey Foundation, that sufficient funds will be available to the charity to meet its commitments as they fall due.

PLANS FOR THE YEAR 2011

The Jack Petchey Foundation (JPF) has grown rapidly since it was established in 1999 with £65 million having been distributed for youth work in London and Essex. The JPF Company Directors have confirmed that the main focus of the work in 2011 will include:

1. The successful **Jack Petchey Achievement Award Scheme** operating over 2,000 schemes across London & Essex. The aim is to encourage all state secondary schools and registered youth charities across London/Essex to join the scheme in 2011.
2. The Foundation will continue to support **Jack Petchey's Speak out Challenge**, now the largest speaking competition for young people in the world. All state secondary schools in London and Essex are invited to participate in this programme.
3. The Foundation will continue to support the **Step into Dance** programme with the Royal Academy of Dance during 2010/11. This programme will be offered in 150 secondary schools in London.
4. The Foundation will continue it's partnership with Panathlon Challenge to ensure that young people with disabilities can participate in competitive sports. This programme will be offered in London and Essex in 2010/11.

5. The Foundation plans to extend the **Small Grants fund** linked to the Achievement Award programme into schools as well as youth organisations. There will be two rounds of bids for small grants focused on groups operating the Achievement Award Scheme. (March 2011 / October 2011)
6. The Foundation will continue the **new programme of individual grants for volunteering** introduced in 2010. These grants directly support young people who want to undertake voluntary work in the community.
7. A new Jack Petchey Schools Table Tennis Championship will be piloted with the English Table Tennis Association.
8. A new pilot youth club improvement Scheme will be delivered in partnership with the Essex Association of Boys & Girls Clubs and the YMCA George Williams College.
9. JPF Portugal. The Jack Petchey Foundation's work in Portugal will continue. Programmes are well developed in the districts of Albufeira, Loule and Silves.

POLICIES

GRANT MAKING POLICY

The Foundation invites applications for the various open grant programmes by publicising its activities on the website. Grant applications are rigorously assessed by the Grants Officers and then considered in detail by the JPF Board of Directors.

RESERVE POLICY

The JPF Company Board of Directors are not required to maintain reserves provided they do not commit the charity beyond the levels of funding promised by Incorporated Holdings Limited and its subsidiary companies.

RISK REVIEW

The JPF Company Board of Directors have assessed the major strategic business and operational risks which the charity faces and confirm that the necessary steps have been taken to control these risks.

Only grants which can be fulfilled have been promised to recipients and the charity has not overburdened itself. The charity continues to be reliant on donations to continue to fulfil its objectives.

PROJECT GRANTS

During 2010 the Foundation supported many programmes in London and Essex and administered grants from £200 to £550,000.



Panathlon Outstanding Achievers receive their award from Jack Petchey and Boris Johnson



The Saints Crew with Ed Vaizey MP, the Minister for Culture



EXAMPLES OF SOME OF THE LARGEST GRANTS ADMINISTERED BY THE JACK PETCHEY FOUNDATION IN 2010

SpeakersBank Limited	Speak Out Challenge 2010/11	£546,121
Royal Academy of Dance RAD	Step Into Dance Phase 5	£440,000
School Planners	School Planners	£80,000
ETTA	Table Tennis Programme for Schools	£70,574
Army Cadet Force	Achievement Award Scheme	£67,200
Panathlon Challenge	Panathlon 2009/10	£42,500
Futureversity	Summer Uni Programme	£36,197
The Petchey Academy	Grangewaters Residential	£34,640
Sea Cadets London Area	Achievement Award Scheme	£29,400
Scouts GLNE County	Achievement Award Scheme	£25,200
Guides GLW	Achievement Award Scheme	£25,200
Scouts GLN	Achievement Award Scheme	£23,400
Air Cadets ~ London Wing	Achievement Award Scheme	£22,000
Scouts GLMW County	Achievement Award Scheme	£20,400
Boys' Brigade	Achievement Award Scheme	£19,200
Community Links	Achievement Award Scheme	£19,200
Girlguiding Croydon	Achievement Award Scheme	£18,600
Centre of the Cell	Education Centre ~ Saturday opening	£18,560
Guides ~ Middx East	Achievement Award Scheme	£18,000
LFEPa Life Project	Achievement Award Scheme	£18,000
Guides ~ Essex West County	Achievement Award Scheme	£18,000
The Movement for Reform Judaism	Achievement Award Scheme	£17,400
Air Cadets ~ Middx Wing	Achievement Award Scheme	£17,200
Scouts ~ GLS	Achievement Award Scheme	£16,800
Guides ~ Middlesex North West	Achievement Award Scheme	£14,400
Thames Gateway Youth Football Project	Achievement Award Scheme	£14,400
Redbridge Music Service	Access to Music Programme	£12,640
Guides ~ London over the Border County	Achievement Award Scheme	£12,600
Hackney Community College	Achievement Award Scheme	£12,600
Guides ~ GLSE	Achievement Award Scheme	£10,800
Guides ~ Essex South East	Achievement Award Scheme	£10,800
DMJ Friends of Ahotokurom	Replacement mini-bus	£10,500
Sea Cadets ~ London Area	TS Jack Petchey Bursary Programme	£10,000
YMCA George Williams College	Bursary Scheme 2010/11	£10,000
STEMNET	Young STEM Ambassadors Programme	£10,000

STATEMENT OF TRUSTEE RESPONSIBILITIES

The Trustee Jack Petchey Foundation Company is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Kingston Smith LLP have signified their willingness to continue in office and a resolution

AUDITORS

proposing their re-appointment will be put to the forthcoming Annual General Meeting.

The financial statements have been prepared in accordance with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice-Accounting and Reporting by Charities (SORP 2005).

On behalf of the Trustee

Director of The Jack Petchey Foundation Company

Date

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2010

		Unrestricted funds 2010	Unrestricted funds 2009
	Notes	£	£
<u>Incoming Resources</u>			
Incoming resources from generated funds			
- Voluntary income		5,001,563	6,325,576
- Investment income		7	98
Other incoming resources	2	37,235	37,127
Total incoming resources		5,038,805	6,362,801
Resources expended			
Charitable activities	3	4,957,669	3,918,534
Governance costs	4	19,745	20,627
Total resources expended		4,977,414	3,939,161
Net incoming resources		61,391	2,423,640
Fund balances at 1 January 2010		(6,692)	(2,430,332)
Fund balances at 31 December 2010		54,699	(6,692)

The Statement of Financial Activities includes all gains and losses recognised in the year.



Redbridge, Southwark, Hackney & Waltham Forest Awards Presentations 2010

BALANCE SHEET AS AT 31ST DECEMBER 2010

		2010		2009	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		8,492		10,130
Current assets					
Debtors	8	8,412		5,206	
Cash at bank and in hand		<u>98,793</u>		<u>62,548</u>	
		107,205		67,754	
Creditors: amounts falling due within one year	9	<u>(60,998)</u>		<u>(84,576)</u>	
Net current assets / (liabilities)			<u>46,207</u>		<u>(16,822)</u>
			54,699		
Net assets / (liabilities)			<u>54,699</u>		<u>(6,692)</u>
Income funds					
Unrestricted funds			<u>54,699</u>		<u>(6,692)</u>

The accounts were approved and authorised for issue on

And signed on behalf of the board by

R.C. Mills

Director of The Jack Petchey Foundation Company

CASH FLOW STATEMENT FOR YEAR ENDED 31ST DECEMBER 2010

	2010 £	2009 £
Net cash flow from operations	39,380	206,517
Returns on investments and servicing of finance		
Investment income receipts	7	98
Bank interest paid	(1,095)	(3,150)
Capital expenditure		
Payment for tangible fixed assets	(2,047)	(3,623)
Increase in cash	36,245	199,842

Notes to the Cash Flow Statement

Reconciliation of Net Incoming Resources To Net Cash Inflow

	2010 £	2009 £
Net incoming resources	61,391	2,423,640
Non operating cashflows eliminated:		
- Investment income	(7)	(98)
- Financing costs	1,095	3,150
Depreciation	3,685	4,358
(Increase) in debtors	(3,206)	(544)
(Decrease) in creditors	(23,578)	(2,223,989)
Net cash inflow	39,380	206,517

Analysis of change in net cash resources

	At 1st January 2010 £	Cash flow £	At 31 December 2010 £
Cash at bank	62,548	36,245	98,793
	62,548	36,245	98,793

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, and the Charities Act 1993. The accounting policies have not changed during the year.

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005).

1.2 INCOMING RESOURCES

Income from donations is included in incoming resources when these are receivable and the charity is entitled to receipt.

1.3 GIFTS IN KIND

Gifts in Kind comprise office facilities provided to the charity at no cost. They have been valued as a best estimate by the provider.

1.4 RESOURCES EXPENDED

Grants payable are charged in the year when the offer is conveyed to the recipients except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity. They include audit fees and 20% of the Foundation Chief Operations Officer salary.

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Computer equipment	25% straight line basis
Fixtures and Fittings	10% straight line basis

1.6 FOREIGN CURRENCY TRANSLATION

Transactions denominated in foreign currencies are translated at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net outgoing resources.

1.7 FUND ACCOUNTING

All funds held are unrestricted general funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2010

2. Other incoming resources

	Total 2010 £	Total 2009 £
Other income	8,410	8,302
Gifts in kind	28,825	28,825
	37,235	37,127

3. Charitable Activities

Grants payable

Advice/Support/Counselling/Mentoring	20,900	22,922
Housing/Homelessness	9,000	14,700
Medical/Hospice/Hospital	4,629	9,112
Schools	1,354,585	1,341,678
Sports Clubs	621,639	617,010
Training/Training Courses	517,874	344,422
Uniformed Organisations	563,240	570,430
Youth Clubs/Youth Projects	877,517	468,096
General	16,520	7,438
Disability	70,543	29,000
Volunteering	17,040	(397,665)
TOTAL GRANTS	4,073,487	3,027,143

Expenses for awards presentations	283,086	300,651
Portuguese office costs	73,492	73,898
Wages and salaries	359,075	354,248
Print, postage and stationery	33,235	22,402
Advertising	56,263	41,847
Subscriptions	4,004	3,944
Bank charges and interest	1,095	3,150
Computer costs	11,405	8,832
Travel**	18,736	18,025
Office facilities	34,845	36,136
Sundry expenses	5,261	23,900
Depreciation	3,685	4,358
	4,957,669	3,918,534

Grants payable include £30,750 (2009: £46,500) for grants agreed prior to the year end but paid in 2011.

Additional analysis and explanation of the grants made in the year is included within the Trustees' Report.

In addition to the grants committed and accrued for noted above, the Trustee has also approved grants which are subject to the recipient fulfilling certain conditions. These grants committed which do not represent a constructive obligation at the year end amount to £661,121 (2009: £830,824)

The Trustee has received commitments from Incorporated Holdings Limited that donations will be received by the charity to meet grant obligations both accrued and committed.

** mostly visiting schools and youth clubs

NOTES TO THE FINANCIAL STATEMENT FOR YEAR ENDED 31ST DECEMBER 2010

4. Governance Costs

	TOTAL 2010 £	TOTAL 2009 £
Wages and salaries	12,666	12,433
Auditors remuneration	7,079	8,194
	<u>19,745</u>	<u>20,627</u>

5. Directors of the Trustee Company

None of the Directors of the Trustee Company (or any persons connected with them) received any remuneration during the current or previous year. One Director of the Trustee Company was reimbursed £1,112 for travel/office expenses (2009: £1,324).

6. EMPLOYEES

	Total 2010 £	Total 2009 £
Governance Costs	12,666	12,433
Charitable Activities	<u>359,075</u>	<u>354,248</u>
	<u>371,741</u>	<u>366,681</u>
Analysed as:		
Wages and salaries	337,992	334,187
Social security costs	<u>33,749</u>	<u>32,494</u>
	<u>371,741</u>	<u>366,681</u>

During the year there were no employees who earned over £60,000. This was also true in 2009.

At the year end there were 11 full time employees (2009: 10), all of whom are involved in the activities of the charity.

There were on average 10 (2009: 10) employees throughout the year.

The Chief Operations Officer spends approximately 80% of her time supporting the charity's activities and 20% of her time on governance matters.

NOTES TO THE FINANCIAL STATEMENT FOR YEAR ENDED 31ST DECEMBER 2010

7. Tangible fixed assets

	Fixt & Fittings £	Computer Equip £	Total £
Cost			
At 1 January 2010	9,066	17,195	26,261
Additions	320	1,727	2,047
As at 31 December 2010	9,386	18,922	28,308
Depreciation			
At 1 January 2010	3,587	12,544	16,131
Charge for the year	939	2,746	3,685
As at 31 December 2010	4,526	15,290	19,816
Net book value			
As at 31 December 2010	<u>4,860</u>	<u>3,632</u>	<u>8,492</u>
As at 31 December 2009	<u>5,479</u>	<u>4,651</u>	<u>10,130</u>

8. Debtors

	Total 2010 £	Total 2009 £
Other debtors	<u>8,412</u>	<u>5,206</u>

9. Creditors: amounts falling due within one year

	Total 2010 £	Total 2009 £
Taxes and social security costs	13,522	11,947
Grants payable	30,750	46,500
Accruals and deferred income	<u>16,726</u>	<u>26,129</u>
	<u>60,998</u>	<u>84,576</u>

10. Related Parties

During the year the Jack Petchey Foundation made payments of £50,230 to the Petchey Academy and accrued for a grant of £20,925 payable at the year end. The total of £71,155 (2009: £10,830) represents grants of £64,805 (2009: nil) and academy staff incentives of £6,350 (2009: £10,830).

The two organisations are related by virtue of Ron Mills being a Director of The Jack Petchey Foundation Company which is a Trustee of the Jack Petchey Foundation and also a Director of the Petchey Academy.



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE JACK PETCHEY FOUNDATION

We have audited the financial statements of The Jack Petchey Foundation for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustee, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's Trustee those matters which we are required to include in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's Trustee as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEE AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement on page 8 the Trustee is responsible for the preparation of financial statements which provide a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report to you in accordance with regulations made under section 44 of that act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2010 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 1993.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Kingston Smith LLP
Statutory Auditor

Orbital House
20 Eastern Road
Romford
Essex, RM1 3PJ

Date:

Eligible to act as an auditor in terms of section 1212 of the
Companies Act 2006