

REGISTRAR OF COMPANIES

Hammerson Home Charitable Trust

Annual Report and Financial Statements

31 December 2009

Company Limited by Guarantee
Registration Number
1672002 (England and Wales)

Charity Registration Number
286002

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Reference and administrative information

Directors	Mrs E Angel Mr T Angel OBE Mrs P Beecham Mrs S Hammerson CBE Mrs C Holmes Mr J Markson Mr T Michaels Mr F E Winter FCA Mrs J Wiseman
Secretary	Mrs E Angel
Chief Executive	Mr A Leigh
Registered office	50A The Bishop's Avenue London N2 0BE
Company registration number	1672002 (England and Wales)
Charity registration number	286002
Auditors	Buzzacott LLP 12 New Fetter Lane London EC4A 1AG
Investment managers	Newton Investment Management Limited 71 Queen Victoria Street London EC1V 4DR
Bankers	Barclays Bank plc 28 Hampstead High Street Hampstead London NW3 1QB

Report of the directors Year to 31 December 2009

The directors present their report together with the financial statements of the Hammerson Home Charitable Trust ("the Trust") for the year ended 31 December 2009

The report has been prepared in accordance with Part VI of the Charities Act 1993 and constitutes a directors' report for Companies Act purposes

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 and 18 and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

Hammerson Home Charitable Trust is a registered charity (Charity Registration Number 286002) and a company limited by guarantee (Company Registration Number 1672002). It is governed by its memorandum and articles of association

In the event of the charitable company being wound up, the liability of each member is limited to £10

The directors constitute trustees of the charity for the purposes of charity legislation and directors of the charity for the purposes of company law

The following directors were in office at 31 December 2009 and served throughout the year except where shown:

Directors	Appointed/Resigned
Mrs E Angel	
Mr T Angel OBE	
Mrs P Beecham	
Mrs S Hammerson CBE	
Mrs C Holmes	
Mr J Markson	
Mr T Michaels	
Mrs J Wiseman	
Mr F E Winter FCA	

Each year one third of the directors retire by rotation and may, if eligible, stand for re-election

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Brief biographical details of each of the directors are given below

Eleanor Angel

Eleanor Angel is the sales administration director of Angels, The Costumier. She is also a director of Women of the Year Lunch and a trustee for a number of organisations including the Women of the Year Foundation and the AJR Charitable Trust

Tim Angel OBE

Tim Angel is the chairman of Angels, The Costumiers. He was the chairman of the British Academy of Film and Television Arts (1997 – 2000) and is now a permanent trustee there. Tim has also been a governor of the British Film Institute (BFI) since 2003 and was awarded the OBE for services to film, theatre and television in 1997

Patricia Beecham

Patricia Beecham went to the City of London School and then pursued her musical studies at the Conservatoire in Lausanne. She worked at the BBC in its Welfare Department (Human Resources) until her marriage and was on the Board of the RPO, the ENO Benevolent Fund, and the City of London Music Festival. She has been involved with fundraising and all activities at Hammerson Home since her late teens.

Sue Hammerson CBE

Sue Hammerson was born in 1914 to Dutch parents. She married Lew Hammerson in 1938 and had three children. Her husband died in 1958 and thereafter she worked tirelessly to set up the Lewis W Hammerson Memorial Home in his memory. She was awarded the CBE in 2009, and today she still visits the Home and works on fundraising efforts. From about 1965–1990, she was the treasurer of the Queen Mother's London Needlework Guild.

Carol Holmes

Carol Holmes was a partner in the law firm, Dechert, for many years, specialising in commercial real estate. She has now retired from practice. She is a non-executive director of Trinity Hospice Shops Limited, a company that runs 22 charity shops raising funds for a South London hospice and a trustee of WIZO UK.

Julian Markson

Julian Markson has held various voluntary positions which have included chairman of Hammerson Home, chairman of the Trust, committee member for Weslon Housing Association, treasurer for Music Industries Association, secretary and council member for the Institute of Musical Instrument Technology, council member for the West London Synagogue, and chairman of the membership, social, cultural and RSGB Liaison Committees.

Report of the directors Year to 31 December 2009

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

Julian Markson (continued)

He is currently chairman of Markson Pianos Limited. His work experience includes being a consultant to the Piano Advisory Service, a consultant and mentor for Artifax Limited (Software House), and a consultant and acting CEO for the Music Industries Association.

Tony Michaels

Tony Michaels joined the family business of importing printing and paper converting machinery, working his way up in the company until he became the managing director. Following his partial retirement in 2000, the company changed its focus to the plastic and packaging industry and he still oversees the running of the company. Since 2000, he has been involved in the property industry and is a director of a number of property companies and has been a trustee for various charities.

Fred Winter

Fred Winter was in public practice for over 50 years as a senior partner in a firm of chartered accountants. He was the treasurer of Hammerson Home for ten years as well as a director in numerous companies. He has been involved with Hammerson Home and the Trust for over 20 years.

Judy Wiseman

Judy Wiseman trained and worked as a radiographer, and then worked for the BBC as a researcher for children's programmes, before becoming a relocation counsellor. Her voluntary roles have included chairmanship of the West London Synagogue Charitable Fund and Parents' Forum, as well as serving as a warden for three years. She has been involved with Hammerson Home for the last 10 years as an admissions officer and organizing religious services. Her Mother has been a resident in the Home for seven years.

Eleanor Angel, Tim Angel, Patricia Beecham, Tony Michaels, and Judy Wiseman are also on the management committee of Hammerson Home. Sue Hammerson is the president of the Home.

On agreeing to become a director of the charity, new directors are briefed by the existing directors on the history of the Trust, the day-to-day management, the responsibilities of the directors, the current objectives and future plans. The directors may attend any courses which they feel are relevant to the development of their role, and are encouraged to keep up-to-date on any changes in legislation that may impact the Trust.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Governance (continued)

New directors are supplied with full details of the last three years financial statements of the Trust and a copy of the governing document. The Chief Executive gives the new directors details about the running of the Lewis W Hammerson Memorial Home and general issues pertaining to care of the elderly. Ideally a meeting is arranged with the matron in relation to care of the elderly specifically at the Home. If a new director has not hitherto been a director or a trustee of a charity, he/she is directed to the Charity Commission website to enable himself/herself to ascertain the general duties and responsibilities of a charity trustee.

Sessions are arranged with charity lawyers and accountants on a periodic basis to highlight the role and responsibilities of the directors.

Directors are recruited based on the skills they have to offer the Trust.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year. In preparing financial statements, the directors are required to

- ◆ select suitable accounting policies and then apply them consistently,
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP),
- ◆ make judgements and estimates that are reasonable and prudent,
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the directors Year to 31 December 2009

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Directors' responsibilities statement (continued)

Each of the directors confirms that

- ♦ so far as the director is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ♦ the director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Structure and management reporting

The directors have ultimate responsibility for the charity. They meet formally three to four times a year and informally when required. The day to day administration of the charity is delegated to the Chief Executive and his staff. The Chief Executive reports to the directors regularly throughout the year both formally and informally. The activities of the Chief Executive are in accordance with the policies of the charity, and any decisions with respect to any event not planned for is referred to the directors prior to a decision being made.

Connected charities and related parties

The charity is directly connected with the Lewis W Hammerson Memorial Home. The majority of the directors of the charity form part of the Management Committee of the Lewis W Hammerson Memorial Home. The administration team of the Home also administers the charity. Specific requests for funds for the Home from the charity are dealt with in accordance with the grant making policy described below under the "Activities, specific objectives and relevant policies" section. During the year ended 31 December 2009 the charity provided £509,216 to the Home.

No transactions took place either by the charity or the Home with any companies or organisations for which the charity's directors or the Home's Management Committee members are directors or partners etc or from which they may be deemed to have benefited in any way.

Report of the directors Year to 31 December 2009

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Risk management

The directors have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The directors believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Charitable objectives

The charity was established in 1982 and the charitable objects or purposes set out in its memorandum and articles of association are "the relief of aged sick or disabled persons in necessitous circumstances resident in Greater London and elsewhere"

Activities

The charity's income is derived from voluntary income, its investments and interest earned. The majority of the charity's income is applied in the payment of a grant to the Lewis W Hammerson Memorial Home as described below

The movement in the charity's funds for the year is shown in the statement of financial activities on page 14.

The directors are happy that the charity's objectives have been met adequately during the year

Grant making policy

The directors provide financial support to the Lewis W Hammerson Memorial Home each year through the payment of a grant. The amount of the grant is determined by the directors on the basis of the funds available to the charity and the financial needs of the Home. The directors place no specific restrictions on the use of the grant by the Home but, in order to fulfil their stewardship role, they do monitor its use and the effectiveness of its application. The directors are satisfied that the payment of this grant meets fully the charity's charitable objects and as such they do not actively seek applications for grants or financial support

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Review of activities

During 2009, the Trust continued to monitor the investment portfolio and after a downturn at the end of 2008, the investment strategy overseen by the directors saw a welcome recovery in value

Mindful of the instability in the banking sector at the end of 2008, the directors continued to diversify their risk. This was achieved by moving some of the trusts assets out of Barclays Bank to the Bank of Scotland, who at the time, were offering a competitive rate of return

As the principle recipient of funds from the Trust is the Lewis W Hammerson Home, the trustees considered the long term balance of accommodation available at the Lewis W Hammerson Home. As a result, a decision was taken for the need to create a Building Fund for the express purpose of the renovation of accommodation at the Home to make it more suitable to the needs of current and future clients. Monies were expended on renovating an initial room

A decision was also taken to designate a fund of monies, called a Hardship Fund, specifically to cover the costs of residents taking up residence at the Lewis W Hammerson Memorial Home who were unable to meet the total cost of care themselves.

Public benefit

In setting out the objectives and planning the activities of the charity, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit

Since 1982 the trustees have chosen to pursue the charity's charitable purposes by providing grant funding to The Lewis Hammerson Memorial Home ("the Home") – a charitable Industrial and Provident Society which is also registered with the Housing Corporation and which runs a residential home for the elderly in London

The trustees review their policy of providing support to the Home from time to time. They are currently of the view that the continued support of the Home is in the best interests of the charity and is an appropriate and beneficial use of its funds. There are two primary reasons for this: first, the charity's donors are also supporters of the Home and it is likely that donations to the charity (and/or the prospect of them) would diminish if it reduced its support for the Home. Secondly, the trustees believe that by making grants to the Home they are well able to satisfy the public benefit test so far as the charity is concerned

The charity's grant to the Home is made for its general purposes and so in practice its application is determined by the Committee of Home between the three levels of residents' care provided within the Home, namely residential care, nursing care and sheltered accommodation. At 31 December 2009 the number of residents in each category was as follows: 50 residential, 14 nursing and 20 sheltered accommodation

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Public benefit (continued)

All of the Home's residents are elderly. Those provided with nursing care are also all sick or disabled. However, many of the other residents are also disabled by either ill health or old age and fall to be regarded as primary beneficiaries under the charity's objects clause. From time to time the elderly who are in residential care or sheltered accommodation become sick and they are therefore provided with nursing care for so long as is necessary (or until a change of their status to permanent nursing care seems appropriate).

Residents to the Home are admitted on an open basis according to the availability of care/accommodation of the requisite type and the needs of the individual concerned. For example, if it is impossible for an individual to be looked after at home s/he will be given priority for a place. In the past the Home has had a waiting list for future residents but this is not the case at present. From time to time Barnet (the local authority in which the Home is situated) places individuals at the Home. Other residents learn of the Home from friends, family and other sources. It has an outstanding reputation.

The Home charges fees in respect of its residents. These fees are in line with similar facilities managed by charity providers. Individuals are not excluded from the potential to benefit from the Home by the level of these fees because the fees for many residents (in recent years the percentage has ranged from 36% to 40%) are paid by their local authority. In some cases the amount paid by local authorities does not cover the full amount of the fees. To date the Home and the charity have been able to ensure that the shortfall is made up from other resources, so as to enable the elderly residents concerned to remain in the Home irrespective of their ability to pay the fees or have them paid on their behalf.

Clearly residents of the Home receive a considerable benefit from living there. This benefit is compatible with the public benefit test because it accrues to the residents in their capacity as beneficiaries.

Investment policy and performance

The charitable company has a portfolio of listed investments which, together with cash awaiting investment, had a market value as at 31 December 2009 of £3,348,523 (2008 – £2,727,353).

There are no restrictions on the charity's power to invest. The investments are managed by Newton Investment Management Limited. The company operates within specific guidelines that are set and regularly reviewed by the directors. The investment objectives are to hold medium risk investments which show capital growth.

The total net gains on the charity's investments during the year of £522,014 (2008 – losses of £877,198) reflect the upturn in the world stock markets following the unprecedented falls in 2008. The directors remain satisfied that their investment policy is appropriate for the medium to long term.

Report of the directors Year to 31 December 2009

FINANCIAL REVIEW

Results for the year

Total incoming resources for the year amounted to £618,921 (2008 - £645,580) and comprised donations of £496,147 (2008 - £496,031) and investment income and interest receivable of £122,774 (2008 - £149,549)

Charitable donations in support of the Lewis W Hammerson Memorial Home made during the year totalled £509,216 (2008 - £473,849) Total resources expended amounted to £544,624 (2008 - £503,528)

After taking account of realised gains of £8,160 (2008 - losses of £204,708) on the disposal of investments and an increase in the value of the charitable company's investments of £513,854 (2008 - decrease of £672,490), there was a net increase in funds for the year of £596,311 (2008 - decrease of £735,146)

The resultant total funds at 31 December 2009 were £4,200,363 (2008 - £3,604,052), most of which were represented by long term investments held for the generation of future income

Reserves policy and financial position

Reserves policy

As described above, the charity's main objective is to provide financial support to the Lewis W Hammerson Memorial Home and the directors regard this as a long term commitment. The directors have examined the requirement for free reserves i.e. those unrestricted funds that have not been designated for the purpose of generating future income. The directors consider that the level of free reserves should be up to six months' expenditure of the Lewis Hammerson Memorial Home. The directors are of the opinion that this provides sufficient flexibility and short term working capital, whilst allowing the charity to make additional unplanned grants to the Home to enable it to cope with unforeseen emergencies whilst specific action plans are implemented.

Financial position

The balance sheet shows total funds of £4,200,363 (2008 - £3,604,052)

These funds include designated funds of £3,348,523 (2008 - £2,727,353) representing the market value of the charity's investment portfolio as at 31 December 2009. The directors have decided to set these funds aside so as to assure the continued ability of the charity to generate monies for the future support of the Lewis W Hammerson Memorial Home.

Restricted funds totalling £nil (2008 - £26,847) were held at the year end, representing funds received with donor imposed conditions unspent at the year end.

Report of the directors Year to 31 December 2009

FINANCIAL REVIEW (continued)

Reserves policy and financial position (continued)

Financial position (continued)

Unrestricted general funds, representing the free reserves of the charity at 31 December 2009, total £851,840 (2008 - £849,852) These represent funds available to meet any chronic shortfall in the ability of the Lewis W Hammerson Memorial Home to meet its obligations and represent approximately 3 to 4 months (2008 - 3 to 4 months) of the Home's expenditure The directors consider the free reserves to be adequate and within the parameters set out in the reserves policy above

FUTURE PLANS

The directors do not anticipate any major changes to the operation of the Trust over the next twelve months The Trust will continue to support the Lewis W Hammerson Memorial Home and work towards the relief of aged or disabled people It will do this by paying a grant to the Home to help meet the costs of those residents unable to meet the full costs of their care and by assisting the Home renovate its accommodation so that it is suitable for the needs of aged and disabled people

Signed on behalf of the directors

Secretary

(E ANGEL)

Director

(T MICHAELS)

Approved by the board on

7 July 2010

Independent auditors' report 31 December 2009

Independent auditors' report to the members of Hammerson Home Charitable Trust

We have audited the financial statements of the Hammerson Home Charitable Trust for the year ended 31 December 2009 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them 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 anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors also act as trustees for the charitable activities of Hammerson Home Charitable Trust. Their responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of directors' responsibilities contained within the report of the directors.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the directors' annual report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only of the directors' report. 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 other information.

Basis of 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

Independent auditors' report 31 December 2009

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 of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ◆ the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ the financial statements have been prepared in accordance with the Companies Act 2006; and
- ◆ the information given in the directors' annual report is consistent with the financial statements

Buzzacott LLP

Amanda Francis, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
12 New Fetter Lane
London
EC4A 1AG

12 July 2010

Statement of financial activities Year to 31 December 2009

	Notes	Unrestricted funds £	Restricted funds £	2009 Total funds £	2008 Total funds £
Income and expenditure					
Incoming resources					
Incoming resources from generated funds					
Voluntary income		475,597	20,550	496,147	496,031
Investment income and interest receivable	1	122,774	—	122,774	149,549
Total incoming resources		598,371	20,550	618,921	645,580
Resources expended					
Cost of generating funds	2	29,014	—	29,014	25,152
Charitable activities					
Grants payable	3	461,819	47,397	509,216	473,849
Governance costs	4	6,394	—	6,394	4,527
Total resources expended		497,227	47,397	544,624	503,528
Net incoming (outgoing) resources before investment assets disposals		101,144	(26,847)	74,297	142,052
Realised gains (losses) on disposal of investments		8,160	—	8,160	(204,708)
Statement of total recognised gains and losses					
Net incoming (outgoing) resources		109,304	(26,847)	82,457	(62,656)
Unrealised gains (losses) on investments		513,854	—	513,854	(672,490)
Net movement in funds		623,158	(26,847)	596,311	(735,146)
Balance brought forward at 1 January 2009		3,577,205	26,847	3,604,052	4,339,198
Balance carried forward at 31 December 2009		4,200,363	—	4,200,363	3,604,052

Statement of financial activities Year to 31 December 2009

Historical cost net movement in funds	2009 £	2008 £
Net movement in funds (page 14)	596,311	(735,146)
Unrealised (gains) losses on investments	(513,854)	672,490
Difference between the gains (losses) calculated by reference to historic cost and the gains (losses) calculated on the revalued amounts	(90,980)	(84,838)
	(8,523)	(147,494)

All of the charitable company's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 December 2009

	Notes	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Investments	7		3,348,523		2,727,353
Current assets					
Debtors	8	164,018		164,040	
Short term deposits		509,819		700,000	
Cash at bank and in hand		187,703		22,617	
		861,540		886,657	
Creditors amounts falling due within one year	9	(9,700)		(9,958)	
Net current assets			851,840		876,699
Total net assets			4,200,363		3,604,052
Represented by:					
Funds and reserves					
Restricted income funds	11		—		26,847
Unrestricted income funds					
General funds			51,840		849,852
Designated funds	10		4,148,523		2,727,353
			4,200,363		3,604,052

Approved by the directors of HAMMERSON HOME CHARITABLE TRUST
and signed on their behalf by (CO REG NO 1672002 (ENGLAND AND WALES))



Director (T MICHAELS)

Approved on 7 July 2010

Principal accounting policies 31 December 2009

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the Companies Act 2006 Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in the preparation of these financial statements

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty

Donations are included in the statement of financial activities when pledged Legacies are included in the statement of financial activities when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified

Resources expended

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered

Resources expended comprise the following:

- ◆ The cost of generating funds comprises fees paid to investment managers in connection with the management of the charity's listed investments and costs of hosting the annual fundraising dinner
- ◆ Charitable activities comprise monies approved for payment to the Lewis W Hammerson Memorial Home Limited
- ◆ Governance costs include the costs incurred which are directly attributable to the necessary legal procedures for compliance with statutory and constitutional requirements

Fixed asset investments

Investments are included on the balance sheet at their market value Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise

Principal accounting policies 31 December 2009

Fund accounting

The general funds comprise those monies which may be used towards meeting the charitable objectives of the charity and may be applied at the discretion of the directors

The designated funds represent monies set aside out of general funds and designated for specific purposes by the directors

The restricted funds are monies received for, and their use restricted to, a specific purpose or donations subjected to donor imposed conditions

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'

Notes to the financial statements 31 December 2009

1 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Interest on fixed interest securities	1,930	—	1,930	17,976
Dividends from equities	112,061	—	112,061	98,175
Bank and other interest	8,783	—	8,783	33,398
	122,774	—	122,774	149,549

2 Cost of generating funds

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Investment management fees	15,177	—	15,177	15,733
Annual fundraising dinner	13,837	—	13,837	9,419
	29,014	—	29,014	25,152

3 Grants payable

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Lewis W Hammerson Memorial Home Limited (note 14)	461,819	47,397	509,216	473,849

4 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Auditors' remuneration	5,115	—	5,115	4,800
Miscellaneous	1,279	—	1,279	(273)
	6,394	—	6,394	4,527

5 Staff costs and expenses reimbursed

There were no employees during the year (2008 – none). No director received any remuneration in respect of their services as a director during the year (2008 – £nil) and no director was reimbursed any expenses (2008 – £nil).

Notes to the financial statements 31 December 2009

6 Taxation

The company is a registered charity and, therefore, is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities

7 Investments

	2009 £	2008 £
Listed investments		
Market value at 1 January 2009	2,532,353	3,315,735
Additions at cost	856,992	563,618
Disposals at opening book value (proceeds £679,891, gains £8,160)	(671,731)	(674,510)
Net unrealised investment gains (losses)	513,854	(672,490)
Market value at 31 December 2009	3,231,468	2,532,353
Cash held by investment managers	117,055	195,000
	3,348,523	2,727,353
 Cost of listed investments at 31 December 2009	 2,635,184	 2,540,903

Listed investments held at 31 December 2009 comprised the following

	2009 £	2008 £
UK bonds	344,371	278,011
Overseas bonds	32,749	70,616
UK equities	2,298,179	1,295,368
Overseas equities	556,169	888,358
	3,231,468	2,532,353

At 31 December 2009 the investment portfolio included the following investment deemed to have a material market value

	Market value £	% of portfolio £
Newton Fund Managers Oriental Fund	221,630	6.9

Notes to the financial statements 31 December 2009

8 Debtors

	2009 £	2008 £
Interest accrued	392	1,946
Income tax recoverable on Gift Aid donations	13,626	12,094
Accrued income – pledged donations	150,000	150,000
	164,018	164,040

9 Creditors: amounts falling due within one year

	2009 £	2008 £
Sundry creditors	—	1,532
Accruals	9,700	8,426
	9,700	9,958

10 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes

	At 1 January 2009 £	Net movements £	At 31 December 2009 £
Investment fund	2,727,353	621,170	3,348,523
Building fund	—	400,000	400,000
Hardship fund	—	400,000	400,000
	2,727,353	1,421,170	4,148,523

The purpose for which each of the funds is to be used is as follows

◆ Investment fund

The designated investment fund at 31 December 2009 represents the market value of the charitable company's investment portfolio. The directors have decided to create the fund equal to this balance in recognition of the fact that the investments are fundamental to the continued ability of the charitable company to generate monies for the future support of the Lewis W Hammerson Memorial Home Limited (note 14).

◆ Building fund

The building fund comprises monies set aside by the trustees to modernise the building

Notes to the financial statements 31 December 2009

10 Designated funds (continued)

◆ Hardship fund

The hardship fund comprises monies set aside to enable the Trust to assist the Home to provide care for those residents funded by Local Authorities where other sources of income to provide top-up fees do not exist or are inadequate

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 January 2009 £	Incoming resources £	Resources expended £	At 31 December 2009 £
Bluston Settlement fund	16,609	—	(16,609)	—
Rose Foundation fund	—	7,000	(7,000)	—
Dorset Music Trust fund	4,670	—	(4,670)	—
Friends of Hammerson Home fund	5,568	—	(5,568)	—
Lightman fund	—	2,000	(2,000)	—
West London Synagogue fund	—	5,000	(5,000)	—
Westlon Trust fund	—	6,550	(6,550)	—
	26,847	20,550	(47,397)	—

The purpose for which each of the funds is to be used is as follows

◆ Bluston Settlement fund

The Bluston Settlement fund comprised monies to be applied for the purpose of leasing a minibus

◆ Rose Foundation fund

The Rose Foundation fund represented funds to be applied towards the refurbishment of the baths and bathrooms at the Lewis W Hammerson Memorial Home

◆ Dorset Music Trust fund

The Dorset Music Trust fund represented income raised specifically to provide music therapy to the residents of the home

◆ Friends of Hammerson Home fund

The Friends of Hammerson Home fund comprised monies to be used to purchase various items of equipment for the Home

Notes to the financial statements 31 December 2009

11 Restricted funds (continued)

♦ Lightman fund

The Lightman fund comprised monies to be used for resident entertainment

♦ West London Synagogue fund

The West London Synagogue funds represented money donated for specific activities, including the computer-training for residents

♦ Westlon Trust fund

The Westlon Trust fund comprised monies to be used to purchase hairdressing salon and nursing equipment

12 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 December 2009 are represented by				
Investments	—	3,348,523	—	3,348,523
Net current assets	51,840	800,000	—	851,840
	<u>51,840</u>	<u>4,148,523</u>	<u>—</u>	<u>4,200,363</u>

Unrealised gains on investments included above are as follows

	General funds £	Designated funds £	Restricted funds £	Total £
Reconciliation of movements in unrealised gains on investments				
Unrealised losses at 1 January 2009	—	(8,550)	—	(8,550)
Add in respect of disposals during the period	—	90,980	—	90,980
Add net unrealised gains in the period	—	513,854	—	513,854
Unrealised gains at 31 December 2009	<u>—</u>	<u>596,284</u>	<u>—</u>	<u>596,284</u>

13 Liability of members

The Hammerson Home Charitable Trust is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.

14 Related party transactions

The Lewis W Hammerson Memorial Home Limited

The charitable objectives of the Hammerson Home Charitable Trust, as noted in the directors' report, are principally achieved by the provision of financial support to the Lewis W Hammerson Memorial Home Limited

Several of the charity's directors also serve as Management Committee Members of the Home. During the year the charity donated £509,216 (2008 - £473,849) to the Home. At 31 December 2009 there was no indebtedness between the two entities (2008 - £nil).

The Directors

During the year donations totalling £323,730 (2008 - £313,420) were received from individual directors, their families, or other charitable organisations with which they are associated