

Charity Registration No. 312500

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

GOVERNORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Governors	J.M. Hall (Chairman) H.W. Whitbread (Deputy Chairman) K.M. Everett G.B. Forbes W.J. Hamilton-Hinds R. Hazlewood C.S. Islam P. James Mrs D. Jones Mrs S. Knowles D.B. Mash Revd Bertrand Olivier D.J. Ross CBE Revd Laura Burgess
Clerk to the Governors	R.M. Foley MSc
Charity number	312500
Principal address	31 Jewry Street Aldgate London EC3N 2EY
Auditors	Myers Clark Iveco House Station Road Watford Hertfordshire WD17 1DL
Bankers	Cater Allen Limited 9 Nelson Street Bradford BD1 5AN
Investment advisors	Aberdeen Asset Managers Limited 10 Queens Terrace Aberdeen AB10 1YG

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Surveyors

FPD Savills Chartered Surveyors
Wytham Court
11 West Way
Botley
Oxford
OX2 0QL

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

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ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The Governors present their report and accounts for the year ended 31 December 2010.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 1993 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity was established by a scheme dated 8 February 1971 made by the Secretary of State for Education and Science under Section 18 of the Charities Act 1960.

The Governors who served during the year were:

J.M. Hall (Chairman)

H.W. Whitbread (Deputy Chairman)

K.M. Everett

G.B. Forbes

W.J. Hamilton-Hinds

R. Hazlewood

C.S. Islam

P. James

Mrs D. Jones

Mrs M.W.F. Kellett

(Retired 29 September 2010)

Mrs S. Knowles

D.B. Mash

Revd Bertrand Olivier

D.J. Ross CBE

Revd Laura Burgess

(Appointed 14 April 2010)

There are three ex-officio Governors; six Governors are appointed by nominating bodies and a further six Governors are co-opted. Governors serve for three years after which period they may put themselves forward for re-appointment. Governors meet formally twice a year, and all are invited to acquaint themselves with the work of the beneficiaries who are supported by the Foundation.

A review of performance has included skills audit, training needs, and skills gaps within the overall body. Nominating bodies are made aware of skills requirements and their applicants are selected on these requirements. Co-opted vacancies are selected from similar criteria on recommendation from within the governing body.

Mr Everett is a Governor of Sir John Cass's Foundation.

Mr Forbes is also a Governor of Sir John Cass's Foundation and is an appointee to the Aldgate and Allhallows Barking Exhibition Foundation from the Central Foundation Schools of London.

The day-to-day administration of the Foundation is carried out by the staff of Sir John Cass's Foundation for which a fee is paid. As the Foundation does not employ staff and owns very little property, the Foundation is exposed to fewer risks than some other charitable organisations. An agreement between the two Foundations was signed in May 2009.

With respect to the risks attached to investment management and grant making, Governors are satisfied with the procedures that have been established to review these risks regularly, and with the actions taken to mitigate exposure to them.

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

Objectives and activities

The charity's objective is to promote the education of young persons under 25 who reside in the City of London or in the adjacent London Borough of Tower Hamlets. In spite of the evident high levels of corporate and public investment in the borough in recent decades, a considerable proportion of its residents, including many young people, continue to live in hardship. Alongside financial poverty many might also suffer a 'poverty of experiences': a shortage of encouragement or opportunity to engage in the rich variety of educational and cultural experiences that London affords so close to where they live.

The charity continues to support a mix of charitable and voluntary organisations that directly assist young people in its area. It also supports young people in local primary and secondary schools in ways that go beyond statutory educational provision, through activities that include art, music, theatre, sport and writing.

Governors can also offer support to young people beyond school years who are in financial need, maybe while they are undertaking undergraduate or post-graduate studies. Such beneficiaries, or their parents or guardians, must have resided or been employed in the area for at least three years.

Supported programmes are monitored and outcomes evaluated. The charity pays close attention to the Charity Commission's guidance on public benefit. Particular attention is given to supported organisations where a programme extends beyond one year. Continued funding to organisations, and also to individuals, is dependent on performance.

Achievements and performance

2010 has been a good year for grant-making by the charity. The Foundation awarded a total £298,051 to twenty organisations, including schools and a further £31,300 to thirty individual students to meet the costs of their courses. £10,000 of this is included in creditors brought forward. Over a period of time, it is likely that all of the borough's sixty eight primary schools and twelve secondary schools will have benefited in some way from the Foundation's support.

Our support to primary schools enables children to participate in a workshop or performance at one of the nearby historic buildings or artistic venues, especially in the City or its fringes. Governors have enjoyed seeing primary children in St Paul's Cathedral, for example. Similarly the Barbican Arts Centre has been helped to engage with young people from its eastern doorstep.

The Governors have paid due regard to public benefit guidance issued by the Charity Commission and has a policy in place for monitoring and evaluating the grants which the Foundation awards.

Financial review

Over a 25 year period to the mid 1990s, the capital of the Foundation grew from £30,000 to £2,000,000 as a result of the sale of mainly freehold residential property that had a minimal written-down value. Currently the Foundation holds assets of more than £6.5m.

The Foundation's investment managers, Aberdeen Asset Managers have been instructed to grow the permanent endowment in real terms, to avoid as far as possible erosion from inflation or falling asset prices and to provide long term real growth in income of 1.5% per annum greater than the increase in the All Items Retail Price Index. They have also been instructed to provide income of circa £250,000 per annum for grant making purposes. The aim is gradually to reduce income reserves over a fifteen year period. Funds for charitable donations and operating expenses will be drawn from accumulated income.

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

Addressing future uncertainties

Many of its beneficiaries - schools and voluntary groups relying in part on local authority support - have had to face immediate or imminent reductions in grant support from central government.

The Foundation is examining with care how its own resources can be best applied as potential beneficiaries lose their ability to undertake what hitherto might have been valuable, but discretionary, activities. In relation to support for students in hardship, the charity will be assessing the possible effects of the new arrangements for student fees and loans from summer 2012 and beyond.

World attention on East London during 2012

In our visits to beneficiaries of late we have seen various groups and individuals who display what might be called the energy of the 2012 Olympic build-up. Across Tower Hamlets, one of the capital's 'Olympic boroughs', there is a desire to encourage fuller engagement and success for individuals and groups in all manner of activities, not just in sport. This is to be welcomed, and we will seek synergies wherever appropriate.

Appreciation

The charity runs through a mix of experienced voluntary Governors and likewise experienced supporting staff. I thank the Governors warmly for their encouragement to beneficiaries through meetings and visits during the year. The Governors are particularly fortunate in having the experience of Billy Whitbread, Deputy Chairman, in financial affairs. On behalf of the Governors, I thank the staff team, led by Richard Foley, our Clerk, for their devotion and care.

It was with regret that we accepted during the year the resignation of Mrs Maureen Kellett JP, until recently a member of the Corporation of London. Maureen served as a Governor since 1991 and we thank her most warmly for her many contributions to our work.

On behalf of the board of Governors



J.M. Hall
Governor

Dated: 25 May 2011

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Governors to prepare accounts 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 year.

In preparing these accounts, the Governors are 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are 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.

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

INDEPENDENT AUDITORS' REPORT

TO THE GOVERNORS OF ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

We have audited the accounts of Aldgate and Allhallows Barking Exhibition Foundation for the year ended 31 December 2010 set out on pages 7 to 14. These accounts have been prepared in accordance with the accounting policies set out on page 9.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditors

As described in the statement of trustees' responsibilities, the Governors are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act. Our responsibility is to audit the accounts 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 accounts give a true and fair view and are prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the Governors' Report is not consistent with those accounts, if the charity has not kept sufficient accounting records, if the charity's accounts are not in agreement with these accounting records or if we have not received all the information and explanations we require for our audit.

We read the Governors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the Governors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

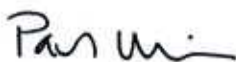
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE GOVERNORS OF ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

Opinion

In our opinion:

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



Paul Windmill (Senior Statutory Auditor)
for and on behalf of Myers Clark

Chartered Accountants

Statutory Auditor

Iveco House
Station Road
Watford
Hertfordshire
WD17 1DL

Dated: 25 May 2011

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Unrestricted funds £	Endowment funds £	Total 2010 £	Total 2009 £
<u>Incoming resources from generated funds</u>					
Investment income	2	8,281	19,977	28,258	24,743
Other incoming resources	3	51,536	-	51,536	55,363
Total incoming resources		59,817	19,977	79,794	80,106
<u>Resources expended</u>					
Costs of generating funds	4				
Costs of generating income	5	6,906	-	6,906	6,234
Investment management costs		7,691	17,164	24,855	20,715
		14,597	17,164	31,761	26,949
Net incoming resources available		45,220	2,813	48,033	53,157
Charitable activities					
Grants payable	6	258,651	-	258,651	294,920
Support costs	7	36,567	-	36,567	32,825
Total charitable expenditure		295,218	-	295,218	327,745
Governance costs	8	7,084	-	7,084	6,520
Total resources expended		316,899	17,164	334,063	361,214
Net (outgoing)/incoming resources		(257,082)	2,813	(254,269)	(281,108)
Other recognised gains and losses					
Revaluation of tangible fixed assets		-	88,000	88,000	-
Gains on investment assets		297,035	661,936	958,971	1,143,427
Net movement in funds		39,953	752,749	792,702	862,319
Fund balances at 1 January 2010		1,934,246	4,061,652	5,995,898	5,133,579
Fund balances at 31 December 2010		1,974,199	4,814,401	6,788,600	5,995,898

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	11	170,000		82,000	
Investments	12	6,608,870		5,949,899	
		<u>6,778,870</u>		<u>6,031,899</u>	
Current assets					
Debtors	13	642		704	
Cash at bank and in hand		29,067		101,833	
		<u>29,709</u>		<u>102,537</u>	
Creditors: amounts falling due within one year	14	<u>(19,979)</u>		<u>(138,538)</u>	
Net current assets/(liabilities)		<u>9,730</u>		<u>(36,001)</u>	
Total assets less current liabilities		<u><u>6,788,600</u></u>		<u><u>5,995,898</u></u>	
Capital funds					
Endowment funds	15	4,814,401		4,061,652	
Income funds					
Unrestricted funds		<u>1,974,199</u>		<u>1,934,246</u>	
		<u><u>6,788,600</u></u>		<u><u>5,995,898</u></u>	

The accounts were approved by the Governors on 25 May 2011



Governor



Governor

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 1993.

1.2 Incoming resources

Income is included in the accounts in the period in which the charity is entitled to receipt.

The Foundation is entitled to ten thirteenths of the surplus from the Alderman Hickson's Trust.

1.3 Resources expended

Expenditure is recognised when a liability is incurred. Grant payments are recognised where there is a current or constructive obligation to pay. Resources expended are allocated to a particular activity where the costs relate directly to that activity and include attributable VAT when this cannot be recovered. Resources expended have been allocated on the basis indicated below:

The costs of generating funds include all costs involved with the management of the investments and property held by the Foundation.

Grants payable: Grants are included in the accounts in the year in which they are committed. Grants which are subject to conditions which have not been met by the recipient at the year end are not accrued as expenditure but noted as commitments.

Governance costs: These costs include the organisational management of the Foundation, and compliance with constitutional and statutory requirements.

1.4 Tangible fixed assets and depreciation

The investment property is stated at market value, subject to tenancy. A valuation was carried out by professional valuers in July 2010. It is the intention of the governors to have such valuations carried out every 5 years, unless they consider a significant change in value warrants an earlier revaluation.

1.5 Investments

Investments are held for the purpose of the generation of income for future grant payments and are stated at mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

1.6 Accumulated funds

The permanent endowment fund comprises the original capital fund, and gains thereto, established to provide income for grant payments in accordance with the objectives of the Foundation. The capital cannot be converted into income. The fund is represented by the capital investments included in fixed assets. The original endowment and realised gains are credited to the capital account and the unrealised gains on investment assets are credited to the capital revaluation reserve.

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

2 Investment income

	Unrestricted funds £	Endowment funds £	Total 2010 £	Total 2009 £
Rental income	-	2,813	2,813	2,813
Income from listed investments	7,692	17,164	24,856	20,714
Interest receivable	589	-	589	1,216
	<u>8,281</u>	<u>19,977</u>	<u>28,258</u>	<u>24,743</u>

3 Other incoming resources

	2010 £	2009 £
Hickson's Endowment	<u>51,536</u>	<u>55,363</u>

4 Total resources expended

	Other costs £	Grant funding £	Total 2010 £	Total 2009 £
Costs of generating funds				
Costs of generating income	6,906	-	6,906	6,234
Investment management costs	24,855	-	24,855	20,715
Total	<u>31,761</u>	<u>-</u>	<u>31,761</u>	<u>26,949</u>
Charitable activities				
<u>Grants payable</u>				
Grant funding of activities	-	258,651	258,651	294,920
<u>Support costs</u>				
Support costs	36,567	-	36,567	32,825
	<u>36,567</u>	<u>258,651</u>	<u>295,218</u>	<u>327,745</u>
Governance costs				
	7,084	-	7,084	6,520
	<u>75,412</u>	<u>258,651</u>	<u>334,063</u>	<u>361,214</u>

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

5 Costs of generating income

	2010	2009
	£	£
Costs of generating income comprise:		
Management fee	6,906	6,234
	<u>6,906</u>	<u>6,234</u>

6 Grants payable

	Grants to institutions	Grants to individuals	Total 2010	Total 2009
	£	£	£	£
Grants payable	<u>237,351</u>	<u>21,300</u>	<u>258,651</u>	<u>294,920</u>

During 2010, the Foundation awarded grants of £329,351. However, £10,000 of this is included in creditors brought forward and 4 grants totalling £60,700 which had been awarded in previous years were cancelled and written back to the Statement of Financial Activities in 2010. The grants were cancelled as a result of the organisations not meeting the criteria set out by the Foundation. Consequently, the amount reported for grants payable in 2010 is £258,651.

As reported in the Governors' Report, the Foundation awarded a total of £298,051 (2009: £253,420) to 20 (2009: 20) organisations, including schools and a further £31,300 to 30 individual students to meet the costs of their courses. £10,000 of this is included in creditors brought forward.

7 Support costs

	2010	2009
	£	£
Management fee	34,529	31,171
Travel	1,745	1,332
Other costs	293	322
	<u>36,567</u>	<u>32,825</u>

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

8 Governance costs

	2010	2009
	£	£
Other governance costs comprise:		
Management fee	4,604	4,156
Audit fee	2,283	2,056
Other costs	197	308
	7,084	6,520

9 Governors

None of the Governors (or any persons connected with them) received any remuneration during the year. However 1 Governor was reimbursed a total of £197 for travelling expenses (2009: 3 were reimbursed £192).

10 Employees

There were no employees during the year.

The day-to-day administration is carried out by the staff of Sir John Cass's Foundation to which a management fee is paid. It should be noted that each charity operates independently with its own policies and separate governing bodies. The management fee charged in the accounts for the year ended 31 December 2010 is £46,038.

11 Tangible fixed assets

	Land and buildings
	£
Valuation	
At 1 January 2010	82,000
Revaluation	88,000
At 31 December 2010	170,000

The charity's land & buildings is an investment property, Sandhill Farm, Preston Bissett. The property was revalued in July 2010 by FPD Savills, Chartered Surveyors' in accordance with the accounting policy to revalue every 5 years, unless Governors consider a significant change in value warrants an earlier revaluation.

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

12 Fixed asset investments

	Income Reserve Fund	Endowment Fund	Total
	£	£	£
Market value at 1 January 2010	1,970,246	3,979,653	5,949,899
Withdrawal of funds	(300,000)	-	(300,000)
Change in value in the year	297,035	661,936	958,971
Market value at 31 December 2010	<u>1,967,281</u>	<u>4,641,589</u>	<u>6,608,870</u>
Historical cost:			
At 31 December 2010	<u>1,712,628</u>	<u>4,051,068</u>	<u>5,763,696</u>
At 31 December 2009	<u>1,993,249</u>	<u>3,980,245</u>	<u>6,016,633</u>

The Foundation's investments are managed by Aberdeen Asset Management and held in fixed interest, equities and cash.

13 Debtors

	2010	2009
	£	£
Prepayments and accrued income	<u>642</u>	<u>704</u>

14 Creditors: amounts falling due within one year

	2010	2009
	£	£
Grants payable	16,549	135,200
Accruals	3,430	3,338
	<u>19,979</u>	<u>138,538</u>

ALDGATE AND ALLHALLOWS BARKING EXHIBITION FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

15 Endowment funds

The capital funds of the charity include permanent endowment funds established to provide income for grant payments:

	Movement in funds				Balance at 31 December 2010
	Balance at 1 January 2010	Incoming resources	Resources expended	Investments gains/losses	
	£	£	£	£	£
Permanent endowments					
Endowment fund	4,061,652	19,977	(17,164)	749,936	4,814,401
	<u>4,061,652</u>	<u>19,977</u>	<u>(17,164)</u>	<u>749,936</u>	<u>4,814,401</u>

16 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total
	£	£	£
Fund balances at 31 December 2010 are represented by:			
Tangible fixed assets	-	170,000	170,000
Investments	1,967,282	4,641,588	6,608,870
Current assets	26,896	2,813	29,709
Creditors: amounts falling due within one year	(19,979)	-	(19,979)
	<u>1,974,199</u>	<u>4,814,401</u>	<u>6,788,600</u>

17 Contingent liabilities

Commitments to future grants:

Grants totalling £134,327 (2009: £95,563) have been approved for future years dependent on progress reports in the current year. They have not been accrued in the financial statements but will form part of grants in future years.