

SHERIFFS' AND RECORDER'S FUND

ACCOUNTS

31 MARCH 2008

SHERIFFS' AND RECORDER'S FUND REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

The Trustees present their report together with the financial statements for the year ended 31 March 2008. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity. The financial statements have also been prepared in accordance with the accounting policies set out on page 9 and comply with the Fund's trust deed and applicable law.

Structure, Governance and Management

The Sheriffs' & Recorder's Fund is constituted under a trust deed dated 17 February 1981 and is a registered charity (No. 221927).

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which 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. 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.

All activities are continuously reported by the staff to trustees and on a regular basis to the Board of Trustees and to the Advisory Committee.

The Trustees have implemented a risk management strategy which comprises:

- an annual review of the risks which the charity may face;
- the establishment of systems and procedures to mitigate those risks which include the approval of all purchase invoices by a trustee prior to payment. All cheques over £500 are signed by a trustee
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise
- the Fund has an Advisory Committee which meets four times a year and which acts as the Fund's internal controller
- the Fund's investments are managed by the Trustees in conjunction with a firm of professional investment managers.

The Trustees who have served during the year are listed below. Trustees are initially appointed by the Board of Trustees and, thereafter, may put themselves forward for re-appointment annually.

Mr C Thomas
Mr D Biddle
Lady Davies
Mr J Walters

The day to day management of the Fund has been delegated to Mr P Lecoutre.

SHERIFFS' AND RECORDER'S FUND

REPORT OF THE TRUSTEES (continued)

Objectives and Activities

The objects of the Fund are to provide support to the families of serving prisoners and those on probation in the Greater Metropolitan Area of London. In recent years the remit of the Fund has been broadened to include educational courses and skills training. The Fund is also concerned with the rehabilitation of drug and alcohol abusers. All grants are made through the probation service or through social workers.

Achievements and Performance

To mark its two hundredth year of existence, the Fund launched a Bicentenary Appeal through which it had raised £48,820 (with associated costs of £1,769) at 31 March 2008. Furthermore, other fundraising events contributed £5,390 to the fund's income during the year under review.

The Statement of Financial Activities for the period is set out on page 6 of the financial statements. A summary of the financial results and the work of the Fund is set out below.

During the year the Fund made 747 grants (2007: 622) amounting to £112,643 (2007: £122,303):

	2008		2007	
	No.	£	No.	£
Individuals	745	106,843	618	110,103
Special projects	2	5,800	4	12,200
	<u>747</u>	<u>112,643</u>	<u>622</u>	<u>122,303</u>
	=====	=====	=====	=====
Household equipment	170	30,729	129	26,909
Education & Training	101	17,408	94	25,006
Clothing	449	55,242	375	54,677
Others	27	9,264	24	15,711
	<u>747</u>	<u>112,643</u>	<u>622</u>	<u>122,303</u>
	=====	=====	=====	=====

Although the number of grants increased, their total value decreased as the average grant fell by 23 per cent from £197 in 2007 to £151 in 2008. A shortage of funds through the first half of the year caused the Fund to temporarily reduce the value of its standard clothing grant although the normal level of this grant was reinstated in the latter part of the year.

In summer 2007, the Fund decided to launch a Bicentenary Appeal with two aims – to attempt to deal with the above shortfall in monies available for grants, which is a perennial problem, and to update and augment the Fund's work by launching an advisory service ('mentoring') for beneficiaries, in partnership with London Probation and with match funding by London Probation. Sponsorship and a grant of £10,000 were obtained to defray the expenses of the Appeal. The Appeal is ongoing through calendar year 2008.

The Appeal has raised £81,270 at 31 March 2008, including £32,450 of monies received in advance of events planned post 31 March 2008. This latter amount is included in these statements as Deferred Income. The administrative and other costs of the Appeal are shown separately on page 6 of the financial statements and amounted to £6,813 by 31 March 2008.

SHERIFFS' AND RECORDER'S FUND REPORT OF THE TRUSTEES (continued)

Financial Review and Reserve Policy

The Fund has a permanent endowment of £8,470 and a restricted fund of £20,000, all other reserves are unrestricted for use in accordance with the charitable objectives of the Fund. However, it is the objective of the Fund to maintain sufficient reserves such that the investment income from these reserves covers the costs of administering the Fund, so that all grants and donations can be applied directly to beneficiaries of the Fund. In the year to 31 March 2008, investment income amounted to £26,706 and the costs of administering the Fund amounted to £33,796 (including investment management fees of £3,602). Funds raised from the Bicentenary Appeal will be added to reserves to redress this imbalance.

Plans for Future Periods

The Trustees aim to maintain the policies which enable the Fund to apply all donated income to charitable activities.

Statement of Trustees Responsibilities

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

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

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. The trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware, and each Trustee has taken all the steps he/she ought to have taken as a Trustee in order to make him/herself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Approved by the Trustees as a body and signed on their behalf by

.....
LADY DAVIES
CHAIRMAN

INDEPENDENT HONORARY AUDITORS' REPORT

TO THE TRUSTEES OF

THE SHERIFFS' AND RECORDER'S FUND

We have audited the financial statements of The Sheriffs' and Recorder's Fund for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees 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.

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.

INDEPENDENT HONORARY AUDITORS' REPORT
TO THE TRUSTEES OF
THE SHERIFFS' AND RECORDER'S FUND

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources in the year then ended;
- the financial statements have been properly prepared in accordance with the Charities Act 1993 and
- the information given in the Trustees report is consistent with the financial statements.

**SHERIFFS' AND RECORDER'S FUND
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2008**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total 2008 £	Total 2007 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	95,783	20,000	-	115,783	78,415
Activities for generating funds:						
General		5,390	-	-	5,390	4,065
Bicentenary appeal		48,820	-	-	48,820	-
Investment income		26,706	-	-	26,706	30,764
Total incoming resources		<u>176,699</u>	<u>20,000</u>	<u>-</u>	<u>196,699</u>	<u>113,244</u>
Resources expended						
Costs of generating funds:						
Bicentenary appeal	3	6,813	-	-	6,813	-
Investment management costs		3,602	-	-	3,602	3,626
Charitable activities	4	139,389	6,200	-	145,589	148,461
Governance costs	5	3,448	-	-	3,448	3,232
Total resources expended		<u>153,252</u>	<u>6,200</u>	<u>-</u>	<u>159,452</u>	<u>155,319</u>
Net incoming/(outgoing)						
Resources for the year		23,447	13,800	-	37,247	(42,075)
Other recognised (losses)/gains						
Realised losses on investment assets		(11,111)	-	-	(11,111)	(6,235)
Net incoming/(outgoing) resources						
Including realised losses on						
Investments		12,336	13,800	-	26,136	(48,310)
Unrealised (losses)/gains on						
Investment assets		(66,244)	-	-	(66,244)	40,183
Net movement in funds		<u>(53,908)</u>	<u>13,800</u>	<u>-</u>	<u>(40,108)</u>	<u>(8,127)</u>
Reconciliation of Funds						
Total funds brought forward		737,822	6,200	8,470	752,492	760,619
Total funds carried forward		<u>683,914</u>	<u>20,000</u>	<u>8,470</u>	<u>712,384</u>	<u>752,492</u>

All activities derive from continuing operations.

There are no recognised gains or losses other than the results for the two financial years disclosed above.

The notes on pages 9 to 15 form part of these accounts.

**SHERIFFS' AND RECORDER'S FUND
STATEMENT OF FINANCIAL ACTIVITIES (continued)
YEAR ENDED 31 MARCH 2008**

	2008	2007
	£	£
Note of historical cost surplus		
Reported deficit of income over expenditure	(15,108)	(8,127)
Net investment losses/(gains) for year (realised and unrealised)	77,355	(33,948)
Add realised investment gains/(losses)	1,943	(44)
Historical cost net funds movement	<u>64,190</u>	<u>(42,119)</u>
	=====	=====

The notes on pages 9 to 15 form part of these accounts.

**SHERIFFS' AND RECORDER'S FUND
BALANCE SHEET
31 MARCH 2008**

		2008		2007	
		£	£	£	£
	Notes				
Fixed assets					
Tangible assets	7		1,413		1,767
Investments	8		674,925		705,468
			<u>676,338</u>		<u>707,235</u>
Current assets					
Debtors	9	734		65	
Cash deposits with stockbrokers	10	57,040		36,348	
Cash at bank and in hand		13,821		11,243	
		<u>71,595</u>		<u>47,656</u>	
Creditors					
Amounts falling due within one year	11	35,549		2,399	
		<u>35,549</u>		<u>2,399</u>	
Net current assets			36,046		45,257
Net assets			<u>712,384</u>		<u>752,492</u>
			=====		=====
Funds	13				
Unrestricted funds			683,914		737,822
Restricted funds			20,000		6,200
Endowment funds			8,470		8,470
Total funds			<u>712,384</u>		<u>752,492</u>
			=====		=====

These accounts were approved for issue by The Trustees on 2008 and signed on their behalf by:-

.....
LADY DAVIES - CHAIRMAN

The notes on pages 9 to 15 form part of these accounts.

**SHERIFFS' AND RECORDER'S FUND
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2008**

1. ACCOUNTING POLICIES

a. Basis of preparation of financial statements

The financial statements of the Fund are prepared in accordance with The Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 1993 and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005 ("SORP"), and with applicable accounting standards. These financial statements are drawn up on the historical cost accounting basis except that investment assets are carried at market value.

b. Depreciation

Depreciation is provided on fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its useful life using the reducing balance method at the following rates:

Office equipment	25%
Computer equipment	20%

c. Investments

Investments are stated in the balance sheet at market value. The differences between market value and original cost of the investments are shown as unrealised investment gains or losses and transferred to the income and expenditure account. The difference between the balance sheet value and the proceeds of investments disposed of is shown as a gain/loss in the statement of financial activities.

d. Voluntary income

Voluntary income is taken to the statement of financial activities account immediately on receipt, unless expressly specified otherwise by the donor.

e. Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are those incurred in compliance with constitutional and statutory requirements.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Grants are accounted for when the trustees have agreed to pay the grant without condition.

**SHERIFFS' AND RECORDER'S FUND
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2008**

f. Fund Accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Income is recognised as unrestricted income when the charity becomes entitled to the income as a result of activities already performed and any pre-conditions have been met. Where this is not the case the income is deferred and not included in incoming resources until the activities have been performed.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Endowment funds – this is a single permanent endowment arising from the amalgamation of the Sheriffs' and Recorder's Fund and the John and Nelly Norris Fund. The trustees are to invest the capital in perpetuity, the income from which is wholly unrestricted for the general purposes of the Fund.

g. Taxation

The Fund is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

**SHERIFFS' AND RECORDER'S FUND
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2008**

	2008	2007
	£	£
2. VOLUNTARY INCOME		
Donations	115,783	78,415
	=====	=====
3. BICENTENARY APPEAL COSTS		
	2008	2007
	£	£
Salaries	2,600	-
Postage and stationery	1,100	-
Catering for Recorder's meetings	1,769	-
Website design	550	-
Others	794	-
	-----	-----
	6,813	-
	=====	=====
4. CHARITABLE ACTIVITIES		
Resources expended on charitable activities comprised:		
	2008	2007
	£	£
Unrestricted		
Grants payable	112,643	122,303
Support costs	26,746	26,158
	-----	-----
	139,389	148,461
Restricted		
Evaluation of Fund activities	6,200	-
	-----	-----
	145,589	148,461
	=====	=====

**SHERIFFS' AND RECORDER'S FUND
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2008**

Grants Payable

During the year the Fund made 747 grants (2007: 622) amounting to £112,643 (2007: £122,303)

	2008		2007	
	No.	£	No.	£
Individuals	745	106,843	618	110,103
Special projects	2	5,800	4	12,200
	<u>747</u>	<u>112,643</u>	<u>622</u>	<u>122,303</u>
	=====	=====	=====	=====
Household equipment	170	30,729	129	26,909
Education & Training	101	17,408	94	25,006
Clothing	449	55,242	375	54,677
Others	27	9,264	24	15,711
	<u>747</u>	<u>112,643</u>	<u>622</u>	<u>122,303</u>
	=====	=====	=====	=====

Support Costs

Salaries	22,680	22,333
Depreciation	354	442
Other support costs	3,712	3,383
	<u>26,746</u>	<u>26,158</u>
	=====	=====

5. GOVERNANCE COSTS

	2008	2007
	£	£
AGM and annual report	1,948	2,232
Auditor's honorarium	1,500	1,000
	<u>3,448</u>	<u>3,232</u>
	=====	=====

6. STAFF COSTS

	2008	2007
	£	£
Salaries	23,596	20,942
Social security costs	1,684	1,391
	<u>25,280</u>	<u>22,333</u>
	=====	=====

The fund has no staff paid in excess of £60,000 annually.

The fund had two part-time employees during the year (2007 - 2)

No Trustee received any remuneration or expenses in the year (2007 - £Nil)

**SHERIFFS' AND RECORDER'S FUND
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2008**

7. FIXED ASSETS

	Office Equipment £	Computer Equipment £	Total £
Cost			
At 1 April 2007	837	2,747	3,584
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2008	837	2,747	3,584
	=====	=====	=====
Depreciation			
At 1 April 2007	828	989	1,817
Charge for the year	2	352	354
	<hr/>	<hr/>	<hr/>
At 31 March 2008	830	1,341	2,171
	=====	=====	=====
Net book value			
At 31 March 2008	7	1,406	1,413
	=====	=====	=====
At 31 March 2007	9	1,758	1,767
	=====	=====	=====

8. INVESTMENTS

	2008 £	2007 £
Market value at 1 April 2007	705,468	717,563
Less: Disposals at opening book value (proceeds £103,590 loss £11,111)	(114,701)	(114,815)
Add: Acquisitions at cost	150,402	62,537
Net (deficit) surplus on revaluation	(66,244)	40,183
	<hr/>	<hr/>
Market value at 31 March 2008	674,925	705,468
	=====	=====
Historical cost as at 31 March 2008	524,194	475,441
	=====	=====
Investments at market value comprised:		
UK equities (listed)	492,425	550,105
UK fixed interest securities	20,743	30,763
UK Government stocks	144,301	124,600
European equities	17,456	-
	<hr/>	<hr/>
	674,925	705,468
	=====	=====

The fund has no investment which represents more than 5% of total investments (2007 - none).

9. DEBTORS

	2008 £	2007 £
Other debtors	734	65
	=====	=====

**SHERIFFS' AND RECORDER'S FUND
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2008**

10. CASH DEPOSITS WITH STOCKBROKERS

These represent cash held on deposit by the investment managers to the Fund which are held specifically for reinvestment.

11. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Other creditors	3,099	2,399
Deferred income	32,450	-
	<u>35,549</u>	<u>2,399</u>
	=====	=====

12. DEFERRED INCOME

	2008
	£
Balance at 1 April 2007	-
Amount deferred in year	32,450
	<u>32,450</u>
	=====

Deferred income includes sponsorship of an event to be held at the Guildhall in September 2008, and income of £25,000 received in advance in respect of a fundraising dinner held in April 2008.

13. FUNDS

	At 1 April 2007 £	Income £	Expenditure £	Investment Losses £	At 31 March 2008 £
Unrestricted funds					
Accumulated fund	737,822	176,699	(153,252)	(77,355)	683,914
	=====	=====	=====	=====	=====
Restricted funds					
Mercers Company	6,200	-	(6,200)	-	-
Volunteer Pathfinder Project	-	20,000	-	-	20,000
	<u>6,200</u>	<u>20,000</u>	<u>(6,200)</u>	<u>-</u>	<u>20,000</u>
	=====	=====	=====	=====	=====
Endowment funds					
John and Nelly Norris fund	8,470	-	-	-	8,470
	<u>8,470</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,470</u>
	=====	=====	=====	=====	=====
Total funds	<u>752,492</u>	<u>196,699</u>	<u>(159,452)</u>	<u>(77,355)</u>	<u>712,384</u>
	=====	=====	=====	=====	=====

**SHERIFFS' AND RECORDER'S FUND
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2008**

The restricted funds represent a donation received from the Mercers Company for the cost of commissioning an evaluation of the Fund's grants programme. The fund also received donations of £20,000 which are to be used for its Volunteer Pathfinder Project a pilot mentoring scheme being run by London Probation Service.

The endowment fund is a permanent endowment arising from the amalgamation of the Sheriffs' and Recorder's Fund and the John and Nelly Norris Fund.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Investments £	Net current assets £	Fund Balances £
Restricted funds				
Volunteer Pathfinder Project	-	-	20,000	20,000
Endowment funds				
John and Nelly Norris Fund	-	8,470	-	8,470
Unrestricted funds				
Accumulated fund	1,413	666,455	16,046	683,914
	<u>1,413</u>	<u>674,925</u>	<u>36,046</u>	<u>712,384</u>
	=====	=====	=====	=====