

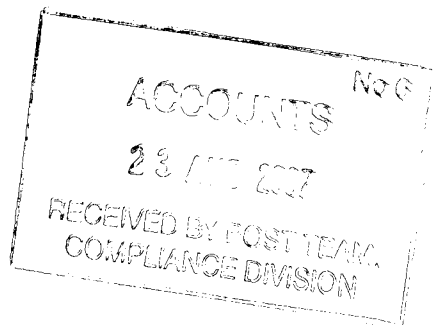
1084839

The Helen Hamlyn Trust

Annual report and financial statements for the year
ended 31 March 2007

Registered Number: 4115082

Registered Charity Number: 1084839



The Helen Hamlyn Trust

Annual report for the year ended 31 March 2007

Contents

Reference and administrative information	1
Report of the Directors	2
Independent auditors' report	8
Statement of financial activities	9
Balance sheet.....	10
Notes to the financial statements.....	11

The Helen Hamlyn Trust

Reference and administrative information

Trustees and directors

Lady Hamlyn
Dr Kate Gavron
Dr Shobita Punja
Brendan Cahill
Margaret O'Rorke
Anthony Edwards
Dr Deborah Swallow

Secretary and Trust Administrator

Andrew Gray

Research and Projects Director

Lucy O'Rorke

Registered Office

66 Lincoln's Inn Fields
London
WC2A 3LH

Auditors

haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

Bankers

National Westminster Bank plc
St James and Piccadilly Branch
PO Box 2DG
208 Piccadilly
London
W1A 2DG

Kleinwort Benson Private Bank Limited
10 Fenchurch Street
London
EC3M 3LB

Investment Managers

Kleinwort Benson Private Bank Limited
10 Fenchurch Street
London
EC3M 3LB

The Helen Hamlyn Trust

Report of the Directors for the year ended 31 March 2007

The Trustees, who are also Directors of the company for the purpose of the Companies Act, present their report and the audited financial statements for the year ended 31 March 2007.

The information with respect to Trustees, Directors, Officers and Advisors set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005, the Charities Act 1993 and the Companies Act 1985.

Structure, Governance and Management

Structure

The Trust is a charitable company limited by guarantee, incorporated on 27 November 2000 (company registration number 4115082) and registered with the Charity Commissioners as a charity on 31 January 2001 (charity registration number 1084839).

Governance

The Directors meet formally at least twice a year and informally throughout the year. The existing Directors select members of the board. At each AGM, one third of the Directors retire by rotation and are permitted to submit themselves for immediate re-election.

The process for the induction of new Trustees comprises an initial meeting with the Chair to explain the history and strategic direction of the Trust. New Trustees are also provided with a copy of the Memorandum and Articles of Association of the Company, the latest Annual Report and Accounts, the Budget and information on the various Committees.

The Trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, investment, reserves, risk management and performance.

Management

The Trustees have delegated certain responsibilities to three Committees in accordance with the Trust's governing document.

The Executive Committee consisting of three Trustees has the authority to take decisions regarding the application of the Trust's funds and other property up to the value of £100,000 in any one calendar year. Additionally, and subject to the same financial limit, the Executive Committee can enter into any contract (including contracts of employment) and execute any agreement on behalf of the Trustees.

The Investment Committee consisting of two Trustees and the Trust Administrator is responsible for reviewing the performance of the investment portfolio, its investment manager and investment policy. It is responsible for reporting to the Trustees on investment matters and directing the investment manager as appropriate.

The Small Grants Committee consisting of the Chair of Trustees and the Trust Administrator is responsible for considering and approving, if appropriate, grant applications for amounts of up to £10,000 per project and up to a value of £100,000 in any one year based on the research and recommendations made by the Research and Projects Director and the grant making policies settled by the Trustees.

The research of grant applications and new projects to be funded is managed by the Research and Projects Director who is also responsible for the ongoing monitoring of grants disbursed. This includes the review of periodic reports from beneficiaries and the financial accounting for each grant on completion of the related project.

Day to day financial management, risk management and governance issues are the responsibility of the Trust Administrator.

The Helen Hamlyn Trust

Risk management

The Trustees have identified and reviewed the major strategic, operational and financial risks to which the Trust is exposed. They are satisfied that the procedures which are in place are reviewed regularly and mitigate exposure to these risks.

Objectives and Activities

The primary objects of the Trust, as stated in its governing document, are the general purposes of such charitable bodies or for such charitable purposes as the directors shall think fit in England and Wales or elsewhere.

The principal focus of the Trust is on the initiation of medium and long-term projects, funded by way of grants, solely or with partners, linked to the shared interests of Lady Hamlyn and her late husband, Lord Hamlyn.

Grant making policy

The Trust has wide powers to make grants. The Trustees bring forward recommendations for projects to support and these recommendations are subject to approval by the board.

The current strategy for grant making is concentrated on the following areas of activity: Medical, the Arts and Culture, Education and Welfare, Heritage and Conservation in India, International Humanitarian Affairs and Healthy Ageing. Within these areas of activity the Trust also supports a number of projects with a design focus which are undertaken by the Helen Hamlyn Centre at the Royal College of Art, London. Additionally, small grants of up to £10,000 are made to a wide variety of small charities in the fields of Education and Welfare, the Arts and Culture and, especially, Healthy Ageing.

The Trust's core aim is to initiate and support innovative medium to long term projects, which will effect lasting change and improve quality of life.

Individual projects aim to:

- encourage innovation in the medical arena
- increase access to the arts and support the professional development of artists from the fields of music and the performing arts
- increase intercultural understanding, provide opportunities for young people to develop new interests and practical skills which will contribute to their education and their future lives and to create opportunities for young offenders to acquire practical skills which will support their personal development for their future lives
- conserve heritage in India
- improve international relations
- provide practical support to enable the elderly to maintain their independence for as long as possible.

The principal objective for the year was to continue to initiate new medium to long term projects in accordance with the Trust's strategy for grant making while continuing to support small charities in accordance with grant making policies.

The objectives for the year were achieved through the initiation of a number of new projects. Specific examples of this included the provision of grants for the following:

- The Open Future Project is a new initiative which was launched last year. Working in partnership with the Royal Horticultural Society's Flourish Campaign, the Royal Society of Arts Focus on Food Campaign and SAPERE (Society for the Advancement of Philosophical Enquiry and Reflection in Education) an internationally recognised charity promoting "Philosophy for Children" (P4C), the programme is directed at primary school children with the aim of helping the children to discover and develop personal interests and practical skills which will contribute to their education and enhance their future lives. Open Future is working with the pilot schools to initiate, develop and embed this skills based learning programme as part of the schools' curriculum. The programme has been expanded during the year to include a further ten schools in the North of England and the inclusion of SAPERE. Further expansion is being planned for the

The Helen Hamlyn Trust

next two years. The project is being evaluated by Newcastle University to determine the success of the initiative and its future direction.

- Indian National Trust for Art and Cultural Heritage (INTACH) for the restoration and re-use of Reis Magos Fort, Goa, India. Working in conjunction with the Government of Goa and INTACH, the Trust is funding the restoration of Reis Magos, a 16th century fort situated on the banks of the Mandovi River overlooking the city of Panaji. The three-year programme of restoration has been entrusted to INTACH by the Government of Goa and an autonomous management committee will oversee the work of a leading local architect, Gerard da Cunha. The management committee is also charged with determining the re-use of the Fort on completion of the restoration for the benefit of the local community and tourists.
- The University of York for the Hamlyn-Feilden Fellowship in Conservation Studies. The Fellowship will build upon the University's renowned expertise in architectural conservation, will help to meet Government concerns regarding skills shortages in the conservation sector and will celebrate Sir Bernard Feilden's contribution both to the Department of Archaeology at the University and to the sector as a whole. The principal aims of the new fellowship are to address the skills shortage, both through the enhanced content of the University of York's MA in Conservation Studies and through a major contribution to the regional agenda and national priorities.
- Jaisalmer Heritage Trust for the restoration and reuse of the Annapurna Bhandar building which housed the granary in the Jaisalmer Fort, in India, which dates from the 12th century. The Trust had previously given a grant to support the production of a proposal and documentation for the preparation of a dossier to nominate Jaisalmer Fort as a World Heritage site. One of the most strategically located buildings within the Fort, the Annapurna Bhandar, as the granary, has played a critical role in the sustenance and security of the fortified citadel of Jaisalmer. The restoration work which is expected to take three years is being jointly funded by the Trust and the Ghirdar Smarak Trust. On completion of the work the Annapurna Bhandar will house a spice museum, a training centre, a community hall, a café and a shop for tourists.
- Motivation, to meet the cost of the finalisation of the "Fit for Life Training of Trainers Course" for delivery to the staff of the International Committee of the Red Cross relative to assessment of needs and equipment for users of wheelchairs in developing countries. Part of the grant was also directed to assist with the provision of training materials and equipment at Motivation's training centre in Colombo, Sri Lanka. Motivation works in partnership with a range of organisations to implement projects that enhance the lives of people with mobility disabilities. They aim to improve opportunities for people with such disabilities by positively impacting on their physical, social and economic situation resulting in greater integration into the community. This is the second project which the Trust has worked on with Motivation and a further project is currently under consideration.
- Sadler's Wells and Lilian Baylis Theatres, to meet the cost of professional fees relative to the first phase of a programme of work to upgrade the appearance of the foyer areas within Sadler's Wells Theatre, London. A second phase of work is currently under consideration.
- Lakeside Arts Centre, The University of Nottingham for the touring programme of Festival of Firsts. This arts programme was initiated by the Trust four years ago in partnership with the Royal Opera House, Covent Garden, London, with the aim of bringing new contemporary theatre companies to London and encouraging new audiences from different backgrounds to come to a performance at the Opera House for the first time. Last year the Trust expanded the concept with a performance at the Opera House for the first time. Last year the Trust expanded the concept with a touring programme to the Tobacco Factory in Bristol. Lakeside Arts Centre was selected for the second year of the touring programme in addition to the annual programme at the Opera House and outreach initiatives with local schools.

Achievements and Performance

The level of grant making declined during the year under review however this was due, in part, to the fact that a number of new medium term projects, approved in principle by the Trustees, were still in the process of being finalised and converted into formal commitments as at the year end. The agreements for four such

The Helen Hamlyn Trust

projects involving grants totalling £1,115,000 are expected to be signed in the financial year ending 31 March 2008. Performance also continued to be influenced by the availability of projects to be initiated.

A significant part of the Trust's work during the year was focussed on the further development of the Trust's flagship Open Future Project to include not only an additional partner in the form of SAPERE but also the expansion of the pilot programme to a further ten schools making twenty schools overall. The year under review has also seen the commencement of the external evaluation of the Project by researchers from the Centre for Learning and Teaching, School of Education, Communication and Language Science, The University of Newcastle.

Financial Review

Income generation

The Trust was awarded a grant of £1,794,962 (2006: £1,690,600) by the Paul Hamlyn Foundation in respect of the year to 31 March 2007. In addition, Lady Hamlyn transferred shares with a total value of £677,925 (2006: £406,398) into the Trust during the year. These two items represent the main source of incoming resources in the period. Whilst the Trustees are confident of receiving further funding from the Paul Hamlyn Foundation in future years, a similar transfer of assets by Lady Hamlyn is not anticipated.

Financial risk management

The following statements summarise the charity's policy in managing identified forms of financial risk:

Price risk

The charity negotiates grants awarded to finance the charity's activities and incorporates this information into its business plans. Salary costs are communicated to staff during the formal annual review of salaries. Prices of materials purchased are subject to contracts with suppliers, based on current market prices.

Credit risk

Credit risk on amounts owed to the charity by its customers is low, as there are no significant third party debtors.

Liquidity risk

The charity has no borrowings.

Interest rate cash flow risk

The charity is able to place surplus funds on short term deposit account with the Trust's bankers.

Investment Powers, Policy and Performance

The Trust's governing document defines the Trustees investment powers as unlimited. These powers have been delegated by the Trustees to an Investment Committee which reviews performance of the investment portfolio and the investment manager and considers any changes required to policy reporting to the Trustees as appropriate. The Trustees have delegated discretionary management to a specialist portfolio manager under an investment agreement.

Following the appointment of a new investment manager in December 2005 the Trust's portfolio was invested in Common Investment Funds with additional funds being transferred into the portfolio from cash deposits. For the period 1 April 2006 to 31 March 2007 the UK equity element of the new portfolio increased by 14.41% in terms of total return compared with an 11.15 % increase in the FTSE All Share Index. The UK bond element of the portfolio achieved a total return of 0.03% compared with the 0.56% total return of the FT All Government Stocks index over the same period. As at 31 March 2007 the asset allocation of the investment portfolio of £2,691,938 was: 55.9% UK equities and 44.1% UK bond funds. Following a recent performance review some adjustment to the asset mix of the portfolio is planned in light of market conditions.

A significant portion of the Trust's assets continue to be held in cash deposits, outside of the investment portfolio, in part to meet grant commitments within the next year but also to mitigate the capital risk arising from the investment portfolio. As at 31 March 2007 cash held by the Trust totalled £3.8m (2006: £3.5m).

Looking ahead, the Trustees will continue to monitor market conditions and adapt policy to changing

The Helen Hamlyn Trust

circumstances as appropriate. It is envisaged that at least half of the Trust's assets will continue to be kept in cash deposits.

Reserves Policy

As a general policy grants are currently accounted for in full in the year in which they are awarded albeit payments in some circumstance are spread over a number of years. As a result the Trust has accumulated unspent income sufficient to fund its existing commitments. The Trustees also have the discretion to disburse some or all of its two expendable Endowments. Having regard to this the Trustees have re-examined the requirements to maintain free reserves and conclude that the level currently maintained is appropriate to ensure that the Trust, in the event of a significant reduction in the level of its income, would be able to continue its activities whilst the Trustees consider how the income would be replaced or activities changed. This policy is being kept under review in light of future income expectations and planned charitable expenditure.

In order to support the Trust and to enable it to make commitments to longer term projects, there is a Deed of Guarantee dated 23 March 2006 from Lady Hamlyn ("the Guarantor") in favour of the Trust which is held to meet any claim made against the Trust for the payment of any grant that the Trust has undertaken to pay, if and to the extent that the Trust has insufficient reserves to meet such a claim. The amount of the Guarantor's liability is limited to £5,000,000.

The Trust has two expendable endowment funds:-

The No.1 expendable endowment fund of £2,407,136 represents donations from Lady Hamlyn to the Trust made in the years ended from 31 March 2004 to 31 March 2007. Income from this fund is available for grants in accordance with the objects of the Trust. The Trustees have discretion to expend some or all of the capital of the expendable endowment in circumstances which they consider would justify it, having regard to the need to maintain an appropriate balance between the interests of present and future beneficiaries.

The No.2 expendable endowment fund of £1,410,283 represents the original donations to the Helen Hamlyn 1989 Foundation, the Trust predecessor, and subsequent donations and legacies together with the realised and unrealised gains and losses arising from the investment assets that comprise this fund. Income from this fund is available for grants in accordance with the objects of the Helen Hamlyn 1989 Foundation. The Trustees have discretion to expend some or all of the capital of the expendable endowment in circumstances which they consider would justify it, having regard to the need to maintain an appropriate balance between the interests of present and future beneficiaries. The restricted fund represents the unspent income arising from this expendable endowment.

Plans for the Future

A key focus will be on the further development of the Open Future educational programme over the next two years. This will involve expanding the pilot stage by involving a further twenty four schools in the Project while the independent evaluation being undertaken by The University of Newcastle continues to help shape the Project's future direction.

Additionally, the Trustees have a number of projects under review for grant making which are projected to fully utilise the Trust's income in the coming year. In accordance with the present strategy the majority of these projects will be spread over a number of years.

No change in strategy or grant making policy is envisaged at present.

Directors' responsibilities

The Directors, who are also the Trustees, are required by charity law to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company as at the end of the financial period. The Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors confirm that suitable accounting policies have been used and applied consistently. The Directors also confirm that reasonable and prudent judgements and estimates have been made in the

The Helen Hamlyn Trust

preparation of the financial statements for the year ended 31 March 2007 and that applicable accounting standards have been followed.

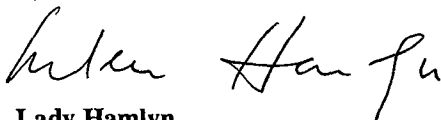
The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on disclosure of information to auditors

So far as each director is aware, there is no relevant audit information of which the charitable company's auditors are unaware.

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the director's duty to exercise due care, skill, and diligence) that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

By order of the board



Lady Hamlyn
Director

27 June 2007

Independent auditors' report to the members of The Helen Hamlyn Trust

We have audited the financial statements of The Helen Hamlyn Trust for the year ended 31 March 2007 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies therein.

Respective responsibilities of directors and auditors

The directors also act as trustees for the charitable activities of The Helen Hamlyn Trust. As described in the Statement of Directors' Responsibilities, the directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume any responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the Directors' Report is consistent with the financial statements. We also report to you, if in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the Directors' 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 (United Kingdom 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 charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs at 31 March 2007 and of its net outgoing resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

haysmacintyre
Chartered Accountants and Registered Auditors
London

27 June 2007

Statement of financial activities for the year ended 31 March 2007

	Notes	Year ended 31 March 2007				Year ended 31 March 2006	
		Unrestricted fund	Restricted fund	No. 1 Expendable endowment fund	No. 2 Expendable endowment fund	Total	Total
		£	£	£	£	£	£
Incoming resources from generated funds							
Voluntary income	2	1,801,962	-	677,925	-	2,479,887	2,099,298
Investment income	3	226,913	61,975	-	-	288,888	208,081
Total incoming resources		2,028,875	61,975	677,925	-	2,768,775	2,307,379
Resources expended							
Costs of generating funds:							
Investment income	4	3,723	4,097	-	-	7,820	2,448
Charitable activities	5	1,464,093	57,113	-	-	1,521,206	2,323,851
Governance costs	7	22,920	-	-	-	22,920	29,290
Total resources expended		1,490,736	61,210	-	-	1,551,946	2,355,589
Net (outgoing)/incoming resources before transfers		538,139	765	677,925	-	1,216,829	(48,210)
Transfers between funds		-	-	-	-	-	-
Net (outgoing)/incoming resources before other recognised gains and losses	10	538,139	765	677,925	-	1,216,829	(48,210)
Gains on revaluation of fixed assets for charity's own use		33,210	-	-	36,453	69,663	114,126
Gains/losses on investment assets		-	-	(3,802)	-	(3,802)	83,182
Net movement in funds		571,349	765	674,123	36,453	1,282,690	149,098
Fund balances brought forward at 31 March 2006		615,530	7,606	1,733,013	1,373,830	3,729,979	3,580,881
Fund balances carried forward at 31 March 2007	18	1,186,879	8,371	2,407,136	1,410,283	5,012,669	3,729,979

All incoming resources and resources expended are derived from continuing activities.

There are no other gains and losses other than those noted above and therefore no separate statement of total recognised gains and losses has been prepared.

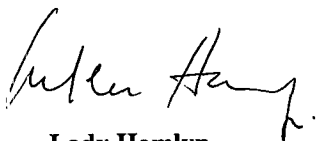
The structure of the Trust's funds is described in note 18 to the financial statements. The Trust's reserve policy is discussed in the Directors' Report.

the Helen Hamlyn Trust

Balance Sheet as at 31 March 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible fixed assets	12	27,090	12,721
Fixed asset investments	13	2,691,938	2,622,275
		2,719,028	2,634,996
Current assets			
Stock	14	12,263	-
Debtors: amounts falling due within one year	15	811,184	114,915
Cash at bank and in hand		3,890,399	3,575,499
		4,713,846	3,690,414
Creditors: amounts falling due within one year	16	(1,388,126)	(1,029,521)
Net current assets		3,325,720	2,660,893
Total assets less current liabilities		6,044,748	5,295,889
Creditors: amounts falling due after more than one year	17	(1,032,079)	(1,565,910)
Net assets		5,012,669	3,729,979
Capital fund			
No.1 Expendable endowment fund	18	2,407,136	1,733,013
No.2 Expendable endowment fund	18	1,410,283	1,373,830
Income funds			
Unrestricted funds	18	1,186,879	615,530
Restricted fund	18	8,371	7,606
Total funds		5,012,669	3,729,979

The notes on pages 11 to 22 form part of these financial statements. The financial statements were approved by the directors on *27 June* 2007 and were signed on their behalf by



Lady Hamlyn
Director



Dr Kate Gavron
Director

The Helen Hamlyn Trust

Notes to the financial statements for the year ended 31 March 2007

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom under the historical cost convention. They follow the recommendations of the Statement of Recognised Practice, Accounting and Reporting by Charities ("SORP") issued in March 2005, and the Companies Act 1985. Where applicable, comparative results have been restated to comply with SORP 2005. There has been no net effect on the comparative figures as a result.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention as modified by the revaluation of certain fixed asset investments.

The Trust has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the Trust's activities.

Donations and gifts

Donations are credited to revenue on a receivable basis. Listed investments donated to the Trust are accounted for at market value on the date of donation. Gifts in kind are valued at a reasonable estimate of their value to the Trust.

Grants receivable

Grants receivable are credited to the statement of financial activities in the year in which they are receivable.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Grants payable

Grants payable are recognised when a constructive obligation arises. For unconditional grants, a constructive obligation is deemed to arise when the grantee is informed of the award of a grant. For conditional grants, a constructive obligation is deemed to arise when the conditions have been met. Where the Trust has committed itself to making a grant but the grantee has yet to meet all of the conditions, it is the policy of the Trust to transfer to a designated fund sufficient income to fund the grant. Such a situation did not arise at either 31 March 2007 or 31 March 2006.

Allocation of overhead and support costs

Overhead and support costs have been allocated first between charitable activity and governance. Other than consultancy fees and expenses, overhead and support costs relating to Charitable Activities have been apportioned based on the value of individual grant awards made in recognition of the administrative burden of awarding, monitoring and assessing grants. Consultancy fees and expenses have been allocated to the charitable activity to which the consultants work related. The analysis of overhead and support costs is shown in note 5.

Governance costs

Governance costs include audit and accounting fees, board costs and other costs directly attributable to the governance of the Trust.

Fixed assets

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets on a reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Computer equipment	25%
Other equipment	25%

The Helen Hamlyn Trust

Fixed asset investments

Listed investments are stated at their market value at the year end. The realised and unrealised net gains and losses arising on revaluations and disposals are included in the Statement of Financial Activities in the year in which they arise.

Investment Income Recognition

Investment income is recognised on an accruals basis where certainty of receipt can be established at the year end. Income arising on investments held in the No.1 expendable endowment fund is allocated to the unrestricted fund. Income arising on investments held in the No.2 expendable endowment fund is allocated to the restricted fund in accordance with the restrictions placed upon that fund.

Irrecoverable VAT

Any irrecoverable VAT is charged to the statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

The restricted fund comprises the former unrestricted fund of the Helen Hamlyn 1989 Foundation and is available for use by the Trustees in furtherance of the objects of the Helen Hamlyn 1989 Foundation.

The No.1 expendable endowment fund of £2,407,136 represents donations from Lady Hamlyn to the Trust made in the years ended from 31 March 2004 to 31 March 2007. Income from this fund is available for grants in accordance with the objects of the Trust. The Trustees have discretion to expend some or all of the capital of the expendable endowment in circumstances which they consider would justify it, having regard to the need to maintain an appropriate balance between the interests of present and future beneficiaries.

The No.2 expendable endowment fund of £1,410,283 represents the original donation and subsequent donations by the Helen Hamlyn 1989 Foundation, the Trust predecessor, together with the realised and unrealised gains and losses arising from the investment assets that comprise this fund. The income derived from the investments held in this fund is restricted to the furtherance of the objects of the Helen Hamlyn 1989 Foundation.

Foreign Currencies

Assets and liabilities in foreign currencies are translated at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies undertaken during the year have been translated at the average rate for the month in which the transaction occurred. Currency differences are written off in the Statement of Financial Activities.

The Helen Hamlyn Trust

2 Voluntary income

		Year ended 31 March 2007	Year ended 31 March 2006
		£	£
Donations	from individuals	684,925	408,698
	from other charitable bodies	1,794,962	1,690,600
		2,479,887	2,099,298

3 Investment income

		Year ended 31 March 2007	Year ended 31 March 2006
		£	£
Dividends		122,473	52,936
Bank interest		166,415	155,145
		288,888	208,081

4 Cost of generating funds

		Year ended 31 March 2007	Year ended 31 March 2006
		£	£
Investment Management Fees		7,820	2,448
		7,820	2,448

5 Analysis of charitable expenditure

The charity undertook no direct charitable activities but awarded grants to a number of institutions in the furtherance of its charitable activities.

	Grant funded activity	Support costs	Total
	£	£	£
Medical	23,390	5,396	28,786
The Arts and Culture	113,651	28,897	142,548
Education and Welfare	583,961	176,589	760,550
Heritage and Conservation in India	466,916	65,293	532,209
Healthy Ageing	48,004	9,109	57,113
	1,235,922	285,284	1,521,206

The Helen Hamlyn Trust

The allocation of support costs and how these were allocated across Charitable Activities is shown in the table below:

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Staff costs	101,762	91,611
Depreciation	9,029	4,241
Bank charges	1,375	907
Travel	17,770	5,696
Legal fees	7,368	6,766
Office rental	13,220	13,220
Consultancy fees	112,424	83,594
Office expenses	14,435	9,626
Exchange (gain)/loss	(6,743)	8,052
Sundry	14,644	15,832
	285,284	239,545

Basis of allocation: Consultancy fees and exchange rate gains and losses are allocated to the charitable activity to which they relate. Other support costs attributable to charitable activities are apportioned pro-rata to the value of grants awarded (80%), and equally across the main grant making categories for which support activities have occurred during the year, to reflect the on-going support of existing grants (20%).

6 Analysis of Grants

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Medical		
Motivation (Fit for Life Training of Trainers Course)	37,649	-
Imperial College, London (The Paul Hamlyn Chair of Surgery)	(24,731)	1,000,000
Design & Manufacture for Disability (DEMAND)	4,872	-
The Sequel Trust	2,600	-
The University College London Hospitals Charitable Foundation	1,000	-
IT Lloyds (Malawi against AIDS)	1,000	-
Art in Healthcare	1,000	-
Moorfields Eye Hospital (Research Facility within new Eye Centre)	-	200,000
The Helen Hamlyn Research Centre, Royal College of Art (Design for Patient Safety – Smart Trolleys Project)	-	34,000
The Helen Hamlyn Research Centre, Royal College of Art (Design for Patient Safety – Ambulance Futures Project)	-	26,000
The Arts and Culture		
Sadler's Wells Theatre (re-design of the Theatre's foyers)	42,759	-
The British Museum (Voices of Bengal Exhibition)	27,500	-

The Helen Hamlyn Trust

Lakeside Arts Centre, The University of Nottingham (Festival of Firsts)	16,592	-
The Liverpool and Merseyside Theatre Trust	10,000	-
Crying Out Loud	10,000	-
Theatre Absolute	4,300	-
Music Alive	2,500	-
London Symphony Orchestra (Panufnik Composition Project)	-	113,000
The Royal Opera House (Festival of Firsts)	-	240,000
The London Library (Model of Building for Redevelopment Project)	-	32,640
The Tobacco Factory (Festival of Firsts)	-	22,273
Royal Opera House (Crush Bar Lighting)	-	12,279
Festival International de Piano de La Roque d'Antheron	-	10,471
Derby Playhouse	-	8,595
The London Children's Ballet	-	5,000
Tsinghua University China	-	3,000
<u>Education and Welfare</u>		
The Design Dimension Educational Trust (Open Future Initiative)	174,100	-
The Royal Horticultural Society (Open Future Initiative)	150,141	84,000
The University of York (The Hamlyn - Feilden Fellowship)	128,245	-
The Society for the Advancement of Philosophical Enquiry and Reflection in Education (SAPERRE) (Open Future Initiative)	39,157	-
filmIt (Open Future Initiative)	24,319	-
Twofour Communications Limited (Open Future Initiative)	23,500	-
Headscape Limited (Open Future Initiative)	19,823	-
UCanDoIT	10,000	-
Fareshare	6,050	-
Sacred Heart of Jesus High School , Goa , India	3,676	-
Praxis Community Projects	2,000	-
The Duke of Edinburgh's Award	1,000	-
Young Musicians Symphony Orchestra (YMSO)	1,000	-
Sundry Small Grants	950	816
CSV Virtual Young Offenders Institution (Independent Evaluation)	-	120,000
The Design Dimension Educational Trust (Open Future Initiative)	-	80,800
The Butler Trust (Training Award for Young Offenders)	-	40,629
The Helen Hamlyn Research Centre, Royal College of Art (Inclusive World Award)	-	30,000
Give Youth a Break	-	5,000
Mobility Trust	-	5,000
V & A Museum of Childhood	-	4,400
<u>Heritage and Conservation in India</u>		
INTACH (Restoration and Re-use of Reis Magos Fort)	392,471	-
Jaisalmer Heritage Trust(Restoration and Re-use of Annapurna	69,445	-

The Helen Hamlyn Trust

Bhandar)

INTACH (Festival of India, Bozar Place of Fine Arts, Brussels)	5,000	-
Khajuraho Heritage Conservation Project	-	(16,247)
Grants made from unrestricted income	1,187,918	2,061,656

Healthy Ageing

Watford Palace Theatre	10,000	-
Bath Institute of Medical Engineering	9,447	-
InterAct Reading Service	7,500	-
Foundations Independent Living Trust	5,000	-
Dressability	3,000	-
Aidis Trust	2,500	-
Black and Asian Disability Group	2,000	-
Teesdale disability Access Forum	2,000	-
Oxfordshire Artweeks Education Charity	1,797	-
Community Relief Project	1,600	-
Positive Lifestyle	1,500	-
Integrated Neurological Services	1,000	-
Sundry Small Grants	660	-
The Royal Hospital for Neuro-Disability	-	5,500
The Bedford Guild House	-	5,000
Saffron Sight	-	4,950
The British School of Osteopathy	-	2,000
Herriot Hospice Homecare	-	1,200
Action on Elder Abuse	-	1,000
The Universal Beneficent Society	-	1,000
East Chelsea Community Contact	-	1,000
Oakley Rural Day Care Centre	-	1,000
Grants made from restricted income	48,004	22,650
	1,235,922	2,084,306

All grants expended in the year related to grants made to institutions.

The Helen Hamlyn Trust

7 Governance costs

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Staff costs	7,422	6,325
Travel	3,439	2,000
Audit fees	5,346	7,050
Legal fees	1,290	7,285
Accountancy fees	5,423	6,630
	22,920	29,290

8 Employee information

The average monthly number of persons employed by the charitable company during the year was 3 (2006: 3). These persons provide support services to charitable activities and in respect of governance (see notes 5 and 8 for the split of costs).

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Staff costs		
Wages and salaries	98,529	88,000
Social security costs	10,655	9,936
	109,184	97,936

No employee (2006: nil) received emoluments in excess of £60,000 during the year.

No Trustee received any remuneration from the Trust during the period.

9 Financing costs

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Interest payable and similar charges		
Bank charges	1,189	907
	1,189	907

The Helen Hamlyn Trust

10 Net incoming resources

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Net incoming resources is stated after charging:		
Depreciation on owned tangible fixed assets	9,029	4,241
(Profit)/loss on exchange	(6,743)	8,052
Auditors' remuneration for:		
Audit services	4,700	7,050

No indemnity insurance for Trustees' liability has been purchased by the Trust.

11 Taxation

The Trust is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Trust's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Trust is not registered for VAT and accordingly, all of its expenditure is recorded inclusive of any VAT incurred.

12 Tangible fixed assets

	Other equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 April 2006	12,760	10,553	23,313
Additions	4,896	18,950	23,846
Disposals	(447)	-	(447)
At 31 March 2007	17,209	29,503	46,712
Depreciation			
At 1 April 2006	5,697	4,895	10,592
Charge for the year	2,878	6,152	9,030
At 31 March 2007	8,575	11,047	19,622
Net book value			
At 31 March 2007	8,634	18,456	27,090
Net book value			
At 31 March 2006	7,063	5,658	12,721

The Helen Hamlyn Trust

13 Fixed asset investments

	Listed Investments	
	£	
Valuation		
At 1 April 2006	2,622,275	
Gift	677,925	
Disposals	(677,925)	
Net revaluation gains	69,663	
Net book value		
At 31 March 2007	2,691,938	
Net book value		
At 31 March 2006	2,622,275	
	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Historical cost	2,508,150	2,508,150

All investments are held in the UK and are primarily to provide an investment return for the charity.

Investments included in the above with a market value greater than 5% of the total portfolio market value at 31 March 2007 are as follows:

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Fledgling Charity Bond Fund	1,186,284	1,242,659
M&G Securities Charifund	1,505,654	1,379,616

14 Stock

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Stocks - stationary	12,263	-
	12,263	-

The Helen Hamlyn Trust

15 Debtors

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Amounts falling due within one year		
Inter-fund debtor	12,720	3,845
Other debtors	156	-
Prepayments	554	620
Accrued income	797,754	110,450
	811,184	114,915

16 Creditors: amounts falling due within one year

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Bank loans and overdrafts	70,400	81,279
Trade creditors	20,608	6,527
Inter-fund creditor	12,720	3,845
Grants payable	1,232,503	901,693
Tax and social security	-	3,858
Other creditors	2,512	-
Accruals	49,383	32,319
	1,388,126	1,029,521

The bank overdraft is due solely to timing differences at the year end.

17 Creditors: amounts falling due after due after more than one year

	Year ended 31 March 2007	Year ended 31 March 2006
	£	£
Grants payable	1,032,079	1,565,910
	1,032,079	1,565,910

The Helen Hamlyn Trust

18 Funds

	Balance at 31 March 2006	Incoming Resources	Resources expended	Transfers between funds	Investment Profits/(losses)	Balance at 31 March 2007
	£	£	£	£	£	£
Capital fund						
No.1 expendable endowment	1,733,013	677,925	-	-	(3,802)	2,407,136
No.2 expendable endowment	1,373,830	-	-	-	36,453	1,410,283
Income funds						
Unrestricted funds						
General reserve	615,530	2,028,875	(1,490,736)	-	33,210	1,186,879
Restricted funds						
The Helen Hamlyn 1989 Foundation reserve	7,606	61,975	(61,210)	-	-	8,371
Total funds	3,729,979	2,768,775	(1,551,946)	-	65,861	5,012,669

Funds Analysis

	Unrestricted funds	Restricted funds	Expendable Endowment funds	Total
	£	£	£	£
Fixed assets	27,090	-	-	27,090
Investments	1,281,655	-	1,410,283	2,691,938
Current assets	2,264,453	42,257	2,407,136	4,713,846
Liabilities	(2,386,319)	(33,886)	-	(2,420,205)
Total Funds	1,186,879	8,371	3,817,419	5,012,669

The Trust has two expendable endowment funds:-

The No.1 expendable endowment fund of £2,407,136 represents donations from Lady Hamlyn to the Trust made in the years ended from 31 March 2004 to 31 March 2007. Income from this fund is available for grants in accordance with the objects of the Trust. The Trustees have discretion to expend some or all of the capital of the expendable endowment in circumstances which they consider would justify it, having regard to the need to maintain an appropriate balance between the interests of present and future beneficiaries.

The No.2 expendable endowment fund of £1,410,283 represents the original donation and subsequent donations by the Helen Hamlyn 1989 Foundation, the Trust predecessor, together with the realised and unrealised gains and losses arising from the investment assets that comprise this fund. The income derived from the investments held in this fund is restricted to the furtherance of the objects of the Helen Hamlyn 1989 Foundation.

19 Transactions with Trustees

The rental value of the space occupied by the Helen Hamlyn Trust at 129 Old Church Street, London SW3 6EB has been independently valued on an open market basis at £13,220p.a. (2006: £13,220 p.a.) which is due to Lady Hamlyn.

Travel costs and other expenses incurred by trustees in the year totaling £15,709 were reimbursed (2006: £7,808).

The Helen Hamlyn Trust

20 Related party transactions

Lucy O'Rorke (director of projects and research), the daughter of one of the directors, was paid a salary of £22,440 during the year (2006: £15,044). This amount was consistent with the role for which she was employed.

Farrer & Co, of which Anthony Edwards (director) is a partner, was paid £8,628 (2006: £14,560) in legal fees during the year. All transactions were conducted on an arm's length basis.

21 Capital

The Trust is a company limited by guarantee. Each member has undertaken to contribute £1 to the assets of the company to meet its liabilities if called on to do so. The total amount guaranteed by members at 31 March 2007 is £7 (2006: £7).