

WAR MEMORIALS TRUST  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE PERIOD ENDED 31 DECEMBER 2005

# WAR MEMORIALS TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

J G Cluff, Chair of Trustees  
Colin Amery  
Roger Bardell  
Winston S Churchill  
The Lord Cope of Berkeley  
Lady Caroline Dalmeny  
Jane Furlong  
Meg Hillier  
The Hon Tim Lewin  
Peter McCormick, OBE  
John Peat  
Juliette Woolley

### Patron

The Countess Mountbatten of Burma CBE CD JP DL

### Area Patrons

Wales  
Northern Ireland  
Scotland  
England

Maj-Gen the Reverend R M Llewellyn CB OBE  
The Lord Molyneux of Killead KBE PC

General Sir Brian Kenny GCB CBE

### President

Winston S Churchill

### Vice Presidents

The Earl Nelson  
Sara Jones CBE  
Simon Weston OBE  
Diana Graves

### Treasurer

Roger Bardell

### Trust Manager

Frances Moreton

### Charity number

1062255

### Principal address

4 Lower Belgrave Street  
London  
SW1W 0LA

### Auditors

H.W. Fisher & Company  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

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# WAR MEMORIALS TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Bankers

Royal Bank of Scotland plc  
2 Elgin Avenue  
London  
W9 3QR

### Solicitors

McCormicks  
Britannia Chambers  
4 Oxford Place  
Leeds  
LS1 3AX

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# WAR MEMORIALS TRUST

## CONTENTS

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|   | Page   |
|---|--------|
| Trustees' report                        | 1 - 4  |
| Statement of Trustees' responsibilities | 5      |
| Auditors' report                        | 6      |
| Statement of financial activities       | 7      |
| Balance sheet                           | 8      |
| Notes to the accounts                   | 9 - 16 |

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# WAR MEMORIALS TRUST

## TRUSTEES' REPORT

*FOR THE PERIOD ENDED 31 DECEMBER 2005*

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The Trustees present their report and accounts for the period ended 31 December 2005.

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 Trust Deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

### Objects of the charity

The objects of the charity are to educate and inform the general public about the significance of war memorials as part of our national heritage and fostering cultural appreciation and good citizenship by remembering those who have fallen in war by encouraging the preservation and maintenance of war memorials.

In accordance with these aims, the charity provides advisory and advocacy services, financial assistance for conservation projects and is the key referral point for all issues regarding war memorials. The Trust also works to promote a greater understanding of the historical and cultural significance of war memorials, so that they might continue to be cherished and preserved for future generations.

### Review of activities

War Memorials Trust is governed by a Trust Deed, dated 7 May 1997. Following the implementation of the 2004 Governance Document Trustees identified skill gaps within the Board which led to 2005 appointments of an expert in the Conservation/Cultural Heritage field and an additional Trustee to support the Fundraising and Events work, Colin Amery and Lady Caroline Dalmeny. Sadly two Trustees departed the Board, Nick Hewitt and Douglas Johnston resigning by rotation after several years valuable service.

War Memorials Trust began the year led by Director General Sir Donald Thompson. Sadly Sir Donald died in March. His passing was a great loss for the Trust as he had been a driving force. Trustees reviewed the staff structure. Frances Moreton moved from Administrator to Trust Manager to lead the administrative side of the organisation with Pedro Gaspar retaining responsibility for conservation casework. A temporary member of staff was recruited for a month to assist with the additional work load as staff reviewed requirements. The charity continued to employ, part-time, an Accounts Manager and PR Consultant. In October Robert Pitts, Fundraising Consultant, left the charity. The charity also benefited from the commitment of volunteers who generously provide their time and expertise to assist the work of the office.

War Memorials Trust Board of Trustees envisaged 2005 as a year to continue progress to a more professional approach which would contribute to establishing the organisation as a focal point for war memorial issues. The charity anticipated having to review its staffing structures and sought to ensure that changes made were to the benefit of the charity's performance and operational activity. The organisation sought to improve its financial position developing new income streams and investigating all opportunities available to it. The charity also sought to understand its supporter base more effectively to enable it both to identify future supporters and build effective donor relationships with current members and donors.

To achieve these ends War Memorials Trust established a new staffing structure as discussed above. A strategic review was implemented in the autumn to identify the future direction of the charity over the next five years. Trustees agreed a document in December 2005. A supporter survey was carried out in January 2005 which provided Trustees and staff with a greater understanding of War Memorials Trust supporter base. This fed into fundraising activity which included the first Direct Mail undertaken by the charity. Trustees also decided to establish a Fundraising Committee which would work with staff to prepare a fundraising plan and implement a more cohesive fundraising strategy. To enhance its fundraising potential War Memorials Trust also introduced credit and debit card payments either over the Internet or through the office. On an operational level War Memorials Trust continued to deal with all queries received by the organisation and provided appropriate advice. In line with the review of the activities of the Trust at the end of the year the Trustees approved the revision of the Small Grants Scheme to tighten funding criteria while raising the grant ceiling to increase the impact and effectiveness of the Grant Scheme.

# WAR MEMORIALS TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE PERIOD ENDED 31 DECEMBER 2005*

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2005 witnessed the consolidation of the new name and logo introduced by War Memorials Trust at the end of 2004. The new image has been well received and anecdotal evidence suggests the charity is now seen as a more professional organisation with a greater impact in the heritage sector.

The Grants for War Memorials scheme, funded by English Heritage and The Wolfson Foundation, saw its budget for 2005/6 increase from £60,000 to £100,000 to assist with conservation and repair work on freestanding war memorials in England. The scheme continued to receive a large number of applications and in 2005/6 43 grants were offered to a total of £91,650 (2004: 29 grants received £59,221). It is worth noting that the amount spent through the scheme is dependent upon the cost of projects applied for, as grants are given up to 50% rate of eligible costs, up to a maximum grant of £10,000.

War Memorials Trust Small Grants Scheme was supported by a number of funders including The Dulverton Trust. Total small grant spend in 2005 was £18,627 to 78 projects (2004: 79 projects received £18,866). The Small Grants Scheme is a vital way for War Memorials Trust to support smaller projects, those outside England and those that fail to meet eligibility criteria of other schemes. War Memorials Trust also allocated the £2,000 2005 David Graves Memorial Grant to a war memorial tank in Ashford, Kent which required repair and conservation. In December a decision was made by Trustees to award the Sir Donald Thompson Memorial Grant. Monies donated in Sir Donald's name would be allocated to a project to restore the war memorials of Calderdale, the area in which Sir Donald lived and work.

The charity continues to see a rise in general enquiries from organisations such as ad hoc committees, individuals, local authorities; covering a range of war memorial issues. This service is provided free of charge to users although the cost to War Memorials Trust is difficult to quantify. It is an essential part of War Memorials Trust work as the charity realises its aim to be a focal point for war memorial issues. In 2005 the Charity dealt with 812 enquiries and around 230 new cases (2004: 786 enquiries and 191 new cases). By the end of 2005 the War Memorials Trust total casework since 2000 stood at 1751 cases.

On 31 December 2005 the charity had 1359 members (2004:1358), representing a continued consolidation of the supporter base. Regular reviews of the membership database ensure that those incorrectly recorded, or lapsed, are altered or removed ensuring the Trust does not distribute material to those who do not wish to receive it. The Trust is taking a more professional approach to dealing with donations and subscriptions received and ensuring the intention of the donor is accurately reflected. In 2005 membership renewal rates were at 84%.

During 2005 the charity undertook an audit of its Regional Volunteers, seeking to ensure that the suggested activities for its volunteers around the country were reflective of their interests and the needs of the organisation. This led to Regional Volunteers being offered the opportunity to continue their role or take on a less active volunteering position. Following a significant grant to support Regional Volunteers a bi-monthly newsletter was introduced as well as facilitating a greater amount of staff time being spent on developing material for Regional Volunteers.

On 3 July 2005 War Memorials Trust held its annual service at the Cenotaph. Moved from the traditional 1 July to begin the week of commemorations that lead up to 10 July, the 60th Anniversary of the end of the Second World War, wreaths were laid, commencing with one by William Stone, veteran of the First World War. Members, staff and Trustees were joined by a guard of honour from the ATR Whittington Barracks. War Memorials Trust is grateful to Westminster Police for their support, including stopping the traffic for the one-minute silence to remember the fallen. War Memorials Trust also extends thanks to those that provided the wreaths, English Heritage and Westminster Council who assisted with facilitating the event.

War Memorials Trust AGM took place on HMS Belfast on 18 July 2005. Reports from the Chair and Treasurer were followed by a question and answer session. Later Nick Hewitt, Trustee, gave a talk on the history of the ship. War Memorials Trust Bulletin continues to provide information on a range of war memorial issues. It is a valuable tool to thank our members for their support, to promote our Fundraising work as well as an opportunity to report on our Conservation successes.

# WAR MEMORIALS TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

As the organisation develops we recognise the importance of the contribution of our members and our life members. Our special thanks go generous donors this year who have included The John Ellerman Foundation, The Clore Duffield Foundation, The Bernard Sunley Charitable Foundation, British American Tobacco, The Westminster Foundation, The Normanby Charitable Trust, Harnett Charitable Trust, J Paul Getty Jr. Charitable Trust, DFS Furniture, J S F Pollitzer Charitable Trust, The Alice Ellen Cooper Dean Charitable Foundation, The Jordan Foundation, Archer Charitable Trust,

The Lambert Charitable Trust, The Astor Foundation, Winston S Churchill, The Thompson Fund, Sir Edwards Lewis Foundation, Ratcliffe Charitable Trust, The Maxwell Family Foundation, The R J Larg Family Trust, The A M Fenton Trust, International Cultural Exchange, South Square Trust, Benham Charitable Trust, Harold Smith Charitable Trust, The Rufford Maurice Laing Foundation, The Linmardon Trust, The Scott (Eredine) Charitable Trust, The L and D Seccombe Charitable Trust, The Steinberg Family Charitable Trust, Florence Turner Trust, Raymond & Blanche Lawson Charitable Trust, The Lord Faringdon Charitable Trust, The Astor of Hever Trust, Miss Adele Stewart and Sir Edward Lewis Foundation.

War Memorials Trust fundraising activity focused upon Trust fundraising supported by other income streams. Trusts were approached with specific projects and grants received. Other fundraising activity saw an appeal to Golf and Cricket Clubs to mark the 60th Anniversary of the end of the Second World War, raising over £2,100. The Anniversary Appeal to raise funds to support projects such as the conservation of the St Chad's war memorial in Kirkby, crystallised in the Direct Mail, returned over £6,000. War Memorials Trust continued to promote legacy giving as well as drawing attention to the possibilities of both share giving and payroll giving with the introduction of new leaflets providing information on both methods of tax-efficient giving. Similarly Gift Aid is promoted across fundraising material and in 2005 62% of subscription payments received, both Life and Annual were gift aided.

The charity had a successful return from its 4 London Marathon runners with the participants collecting over £5000. A big thank you to all those who ran for the charity. War Memorials Trust was also involved in other national and local events, activities that could not have been undertaken without the generous support of show organisers and our Regional Volunteers. Displays included air shows, county fairs, museums and military gatherings. Participating at events raises awareness of the charity as well as generating reports of war memorials at risk.

2005 saw War Memorials Trust undertake a more cohesive PR approach led by staff. Regional Volunteers were encouraged to promote War Memorials Trust locally through letters to the press and contacting local media organisations. Coverage in national media was greater than previous years with Trustees and staff interviewed on national and regional television and an article related to the Trust being carried in The Sun. In addition substantial local coverage on the St Chad's memorial project was generated. War Memorials Trust contributed to the 'Not Forgotten' series broadcast on Channel 4 in the autumn which featured a plaque rescued by the charity. The programme's presenter Ian Hislop expressed his support for the organisation and its work.

War Memorials Trust handed over to the Commonwealth War Graves Commission in excess of £55,000 towards the Joint Boer War Initiative, raising funds to repair and preserve war memorials and graves in South Africa. Following work by the charity and others this project can now proceed as the government has underwritten the project.

### Review of financial activities

The year 2005 saw money paid out exceeding income by £51,936, compared with a surplus of £120,190 in 2004.

In view of the nature of the Charity, this does not represent 'Profit & Loss' in the commercial sense, as our purpose in acquiring income is to enable us to meet our educational and conservation objectives. However, I feel that the figures call for an explanation.

In 2004, we received income of some £40,000 to assist with a major project in South Africa to preserve Boer War graves compared with a further £17,000. This was reflected in the accounts for that year, although the money was paid over in 2005 and is duly shown in the accounts.

# WAR MEMORIALS TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

A second factor is that, in 2004, our income had increased by the exceptional rate of 147%, aided greatly by a single event, HipArt, which raised £50,000. This rate of increase cannot be sustained year on year and, although a similar event is planned for 2006, one did not take place last year.

Finally, it is worth mentioning that two bequests, worth around £50,000 in a combination of cash and shares have not yet been included in either the Trust's income or its assets. This is because of legal requirements in the countries in which the estates are being administered. It is confidently expected that these will appear in the next year's accounts.

In the meantime, the Trust's financial position remains healthy, with liquid assets of approximately £120,000, excluding the legacies mentioned in the last paragraph.

### Trustees

The Trustees who served during the period were:

J G Cluff, Chair of Trustees

Colin Amery

(Appointed 13 December 2005)

Roger Bardell

Winston S Churchill

The Lord Cope of Berkeley

Lady Caroline Dalmeny

(Appointed 13 December 2005)

Jane Furlong

Nick Hewitt

(Resigned 6 September 2005)

Meg Hillier

Douglas Johnston

(Resigned 13 December 2005)

The Hon Tim Lewin

Peter McCormick, OBE

John Peat

Juliette Woolley

### Reserves policy

The charity has a reserves policy, which is to achieve sufficient unrestricted funds to meet six months' operational costs.

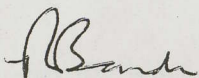
### Risk factors

The major risks to which the charity is exposed have been reviewed by the Trustees and systems have been established to mitigate those risks.

### Asset cover for funds

Note 14 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

On behalf of the board of Trustees



Trustee

Dated: 23 May 2006

# WAR MEMORIALS TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the Trustees to prepare accounts 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 accounts 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 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 Trustees are responsible for keeping accounting records that 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 accounts comply with the Charities Act 1993 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.

# WAR MEMORIALS TRUST

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAR MEMORIALS TRUST

We have audited the accounts of War Memorials Trust for the period ended 31 December 2005 set out on pages 7 to 16. These accounts have been prepared under 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, and regulations made under section 44 of, the Charities Act 1993. 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 the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Trustees and auditors

As described on page 5, the trustees are responsible for preparing the Trustees' 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 section 44 of 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 properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, 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 other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

### 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 trustees 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.

### Opinion

In our opinion the accounts:

- give a true and fair view in accordance with United Kingdom Generally Accepted Practice of the state of the charity's affairs as at 31 December 2005 and of its incoming resources and application of resources in the year then ended; and

- have been properly prepared in accordance with the Charities Act 1993.

*H.W. Fisher & Company*

H.W. Fisher & Company

Chartered Accountants

Registered Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

Dated: 24/5/06

# WAR MEMORIALS TRUST

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 DECEMBER 2005

|   | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2005<br>£ | Total<br>2004<br>£ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Incoming resources</b>                                 |       |                            |                          |                    |                    |
| Donations and legacies                                    | 2     | 93,785                     | 27,060                   | 120,845            | 249,950            |
| Activities in furtherance of the charity's objects        | 3     | -                          | 61,189                   | 61,189             | 25,566             |
| Investment income   | 4     | 2,622                      | 2,705                    | 5,327              | 2,772              |
| <b>Total incoming resources</b>                           |       | <b>96,407</b>              | <b>90,954</b>            | <b>187,361</b>     | <b>278,288</b>     |
| <b>Resources expended</b>                                 |       |                            |                          |                    |                    |
| <b>Costs of generating funds</b>                          |       |                            |                          |                    |                    |
| Fundraising and publicity costs                           |       | 26,592                     | -                        | 26,592             | 25,170             |
| <b>Charitable expenditure</b>                             |       |                            |                          |                    |                    |
| Grants payable  | 5     | -                          | 20,627                   | 20,627             | 18,866             |
| Education and conservation                                |       | -                          | 115,812                  | 115,812            | 47,008             |
| Support costs   |       | 62,881                     | -                        | 62,881             | 52,748             |
| Management and administration                             |       | 13,385                     | -                        | 13,385             | 14,306             |
| <b>Total resources expended</b>                           | 6     | <b>102,858</b>             | <b>136,439</b>           | <b>239,297</b>     | <b>158,098</b>     |
| <b>Net (outgoing)/incoming resources before transfers</b> |       | <b>(6,451)</b>             | <b>(45,485)</b>          | <b>(51,936)</b>    | <b>120,190</b>     |
| <b>Transfers between funds</b>                            | 9     | <b>(16,462)</b>            | <b>16,462</b>            | <b>-</b>           | <b>-</b>           |
| <b>Net movement in funds</b>                              |       | <b>(22,913)</b>            | <b>(29,023)</b>          | <b>(51,936)</b>    | <b>120,190</b>     |
| <b>Fund balances at 1 January 2005</b>                    |       | <b>113,935</b>             | <b>57,937</b>            | <b>171,872</b>     | <b>51,682</b>      |
| <b>Fund balances at 31 December 2005</b>                  |       | <b>91,022</b>              | <b>28,914</b>            | <b>119,936</b>     | <b>171,872</b>     |

# WAR MEMORIALS TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2005

|   | Notes | 2005<br>£             | 2004<br>£             |
|---|-------|-----------------------|-----------------------|
| <b>Fixed assets</b>                                   |       |                       |                       |
| Tangible assets                                       | 10, 2 | 4,321                 | 266                   |
| <b>Current assets</b>                                 |       |                       |                       |
| Debtors   | 11    | 7,197                 | 1,303                 |
| Cash at bank and in hand                              |       | 135,439               | 189,065               |
|   |       | <u>142,636</u>        | <u>190,368</u>        |
| <b>Creditors: amounts falling due within one year</b> | 12    | <u>(27,021)</u>       | <u>(18,762)</u>       |
| <b>Net current assets</b>                             |       | <u>115,615</u>        | <u>171,606</u>        |
| <b>Total assets less current liabilities</b>          |       | <u><u>119,936</u></u> | <u><u>171,872</u></u> |
| <b>Income funds</b>                                   |       |                       |                       |
| Restricted funds                                      | 13    | 28,914                | 57,937                |
| Unrestricted funds                                    |       | <u>91,022</u>         | <u>113,935</u>        |
|   |       | <u><u>119,936</u></u> | <u><u>171,872</u></u> |

The accounts were approved by the Trustees on 23 May 2006

*RBarr*

Trustee

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 DECEMBER 2005

### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

#### 1.2 Incoming resources

Voluntary income is received by way of donations and is included when receivable.

Grants and investment income are also included in the Statement of Financial Activities when receivable.

#### 1.3 Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Grants payable are charged in the year when the offer is conveyed to the recipient.

Support costs are those incurred directly in support of expenditure on the objects of the charity.

Management and administration comprises costs for the running of the charity itself as an organisation.

#### 1.4 Tangible fixed assets and depreciation

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

|                                |                      |
|--------------------------------|----------------------|
| Fixtures, fittings & equipment | 25% Reducing Balance |
|--------------------------------|----------------------|

#### 1.5 Accumulated funds

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

### 2 Donations and legacies

|                        | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2005<br>£ | Total<br>2004<br>£ |
|------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts    | 93,785                     | 27,060                   | 120,845            | 249,950            |
| Donations and gifts    |                            |                          |                    |                    |
| Unrestricted funds:    |                            |                          |                    |                    |
| Donations and legacies |                            |                          | 79,508             | 160,823            |
| Membership fees        |                            |                          | 14,277             | 17,319             |
|                        |                            |                          | 93,785             | 178,142            |
| Restricted funds:      |                            |                          |                    |                    |
| Donations and legacies |                            |                          | 27,060             | 71,808             |
|                        |                            |                          | 27,060             | 71,808             |

During the year ended 31 December 2005 War Memorials Trust was notified that it was to receive a legacy. The income has not been included in the Statement of Financial Activities for the year because the conditions for receipt have not yet been met. It is believed that conditions for receipt will be met during the year ended 31 December 2006, and the expected income is in the region of £15,000. It is also believed that the conditions for receipt of a further legacy in the region of £37,000, which was notified to the Trust during the year ended 31 December 2004, will be met during the year ended 31 December 2006.

### 3 Activities in furtherance of the charity's objects

|   | 2005<br>£ | 2004<br>£ |
|---|-----------|-----------|
| Grants receivable for charitable activities | 61,189    | 25,566    |

### 4 Investment income

|                     | Total<br>2005<br>£ | Total<br>2004<br>£ |
|---------------------|--------------------|--------------------|
| Interest receivable | 5,327              | 2,772              |

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

### 5 Grants payable

|                                    | 2005<br>£ | 2004<br>£ |
|------------------------------------|-----------|-----------|
| Grants to institutions (79 grants) | 20,627    | 18,866    |

War Memorials Trust awarded 78 grants of under £1,000 during the year as part of its Small Grants Scheme, and one grant of £2,000 from the David Graves Memorial Fund towards the restoration of the Sundowner War Memorial.

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

### 6 Total resources expended

|   | Staff<br>costs<br>£ | Depreciation<br>£ | Other<br>costs<br>£ | Total<br>2005<br>£ | Total<br>2004<br>£ |
|---|---------------------|-------------------|---------------------|--------------------|--------------------|
| Costs of generating funds:                          |                     |                   |                     |                    |                    |
| Fundraising and publicity                           | -                   | -                 | 26,592              | 26,592             | 25,170             |
| Charitable expenditure:                             |                     |                   |                     |                    |                    |
| Grants payable                                      | -                   | -                 | 20,627              | 20,627             | 18,866             |
| Education and conservation                          | 44,071              | 493               | 71,248              | 115,812            | 47,008             |
| Support costs                                       | 18,189              | 948               | 43,744              | 62,881             | 52,748             |
| Management and administration                       | 6,304               | -                 | 7,081               | 13,385             | 14,306             |
|   | 68,564              | 1,441             | 142,700             | 212,705            | 132,928            |
|   | 68,564              | 1,441             | 169,292             | 239,297            | 158,098            |
| Other support costs comprise:                       |                     |                   |                     |                    |                    |
| Support cost sundries                               |                     |                   |                     | 1,829              | 1,582              |
| Repairs & maintenance                               |                     |                   |                     | 69                 | 727                |
| Travel & subsistence                                |                     |                   |                     | 5,229              | 5,128              |
| Rent & rates  |                     |                   |                     | 8,421              | 11,048             |
| Light & heat  |                     |                   |                     | 966                | 767                |
| Telephone   |                     |                   |                     | 1,599              | 2,788              |
| Insurance   |                     |                   |                     | 1,022              | 1,001              |
| Cleaning  |                     |                   |                     | 393                | 335                |
| Accountancy   |                     |                   |                     | 5,777              | 5,011              |
| Recruitment   |                     |                   |                     | -                  | 1,101              |
| Staff welfare                                       |                     |                   |                     | -                  | 732                |
| Photocopying  |                     |                   |                     | 2,245              | -                  |
| Postage   |                     |                   |                     | 4,724              | -                  |
| Print and design                                    |                     |                   |                     | 11,470             | -                  |
|   |                     |                   |                     | 43,744             | 30,220             |
| Other management and administration costs comprise: |                     |                   |                     |                    |                    |
| Audit   |                     |                   |                     | 3,482              | 2,586              |
| Honorarium  |                     |                   |                     | 1,500              | 6,000              |
| AGM   |                     |                   |                     | 2,099              | -                  |
|   |                     |                   |                     | 7,081              | 8,586              |

Management and administration costs includes payments to the auditors of £3,000 (2004- £2,500) for audit fees and £482 (2004- £Nil) for other services.

Support costs includes payments for print and design of £11,470 (2004- nil) for printing due to the loss of sponsorship.

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

### 7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the period, but two of them were reimbursed a total of £1,300 (2004: £340) travelling expenses.

### 8 Employees

#### Number of employees

The average monthly number of employees during the period was:

|                       | 2005<br>Number | 2004<br>Number |
|-----------------------|----------------|----------------|
|                       | 2              | 3              |
|                       | <u>2</u>       | <u>3</u>       |
| Employment costs      | 2005           | 2004           |
|                       | £              | £              |
| Wages and salaries    | 52,507         | 55,118         |
| Social security costs | 5,292          | 5,750          |
| Other pension costs   | 10,765         | -              |
|                       | <u>68,564</u>  | <u>60,868</u>  |

Pension costs have been added to staff salaries in accordance with contracts of employment.

### 9 Transfers

The transfers from unrestricted to restricted funds represent cost in excess of donations received for the restricted funds.

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

### 10 Tangible fixed assets

|                       | Fixtures,<br>fittings &<br>equipment<br>£ |
|-----------------------|---|
| Cost                  |   |
| At 1 January 2005     | 3,881                                     |
| Additions             | 5,496                                     |
| At 31 December 2005   | 9,377                                     |
| Depreciation          |   |
| At 1 January 2005     | 3,615                                     |
| Charge for the period | 1,441                                     |
| At 31 December 2005   | 5,056                                     |
| Net book value        |   |
| At 31 December 2005   | 4,321                                     |
| At 31 December 2004   | 266                                       |

| 11 Debtors                     | 2005<br>£ | 2004<br>£ |
|--------------------------------|-----------|-----------|
| Other debtors                  | 96        | 1,303     |
| Prepayments and accrued income | 7,101     | -         |
|                                | 7,197     | 1,303     |

| 12 Creditors: amounts falling due within one year | 2005<br>£ | 2004<br>£ |
|---|-----------|-----------|
| Taxes and social security costs                   | 1,888     | 959       |
| Other creditors                                   | 21,699    | 13,121    |
| Accruals  | 3,434     | 4,682     |
|   | 27,021    | 18,762    |

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

### 13 Restricted funds

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

|                                  | Movement in funds               |                       |                       |                                   |
|----------------------------------|---------------------------------|-----------------------|-----------------------|-----------------------------------|
|                                  | Balance at<br>1 January<br>2005 | Incoming<br>resources | Resources<br>expended | Balance at<br>31 December<br>2005 |
|                                  | £                               | £                     | £                     | £                                 |
| Small Grants Scheme              | 6,083                           | 50                    | (14,877)              | 15,000                            |
| Extension to Small Grants Scheme | 3,250                           | 500                   | (3,750)               | -                                 |
| David Graves Memorial Fund       | 8,000                           | -                     | (2,000)               | 6,000                             |
| Anniversary Appeal               | -                               | 11,558                | (190)                 | 11,368                            |
| Conservation Officer             | -                               | 41,189                | (42,651)              | 1,462                             |
| Volunteer Programme              | -                               | 20,000                | (16,373)              | 3,627                             |
| Poplar War Memorial              | 250                             | -                     | -                     | 250                               |
| Art Competition Fund             | 93                              | -                     | -                     | 93                                |
| Darwen War Memorial              | 20                              | -                     | -                     | 20                                |
| Education Fund                   | 500                             | -                     | -                     | 500                               |
| Florence Turner Trust            | -                               | 500                   | -                     | 500                               |
| Linmardon Trust                  | -                               | 500                   | (200)                 | 300                               |
| South Africa Appeal              | 39,741                          | 16,657                | (56,398)              | -                                 |
|                                  | <u>57,937</u>                   | <u>90,954</u>         | <u>(136,439)</u>      | <u>16,462</u>                     |
|                                  |                                 |                       |                       | <u>28,914</u>                     |

The Small Grants Scheme Fund represents monies received towards the costs of providing small grants of up to £250 for the restoration and preservation of war memorials.

The Extension to the Small Grants Scheme Fund represents monies received towards larger grants of between £250 and £2,000.

The David Graves Memorial Fund is towards the provision of one large grant (over £2,000) each financial year.

The Anniversary Appeal represents money collected via Direct Mail relating to War Memorials Trust appeal during the 60th anniversary year at the end of World War II.

The Conservation Officer Fund represents monies received towards the cost of employing a Conservation Officer.

The Volunteer Programme is funds raised to be used to support volunteers involved with War Memorials Trust.

The Poplar War Memorial Fund is to be spent on restoring the war memorial in Poplar.

The Art Competition Fund represents monies received towards the purchase of prizes for an art competition. One competition has already been held and War Memorials Trust is planning to hold another such competition at some later date, at which time the remaining balance will be spent.

# WAR MEMORIALS TRUST

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2005

The Darwen War Memorial Fund is to be spent on restoring the Darwen War Memorial.

The Education Fund represents monies collected towards a new initiative to provide education packs for schools.

The Florence Turner Trust and the Linmardon Trust are part of The Small Grants Scheme and are to be awarded to restoration projects in the areas of Leicestershire and Nottinghamshire.

The South Africa Appeal represents monies collected for the restoration and preservation of Boer War Memorials in South Africa. These funds have now been paid over to The Commonwealth War Graves Commission.

### 14 Analysis of net assets between funds

|   | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>£     |
|---|----------------------------|--------------------------|----------------|
| Fund balances at 31 December 2005 are represented by: |                            |                          |                |
| Tangible fixed assets                                 | 4,321                      | -                        | 4,321          |
| Current assets  | 97,952                     | 44,684                   | 142,636        |
| Creditors: amounts falling due within one year        | (11,251)                   | (15,770)                 | (27,021)       |
|   | <u>91,022</u>              | <u>28,914</u>            | <u>119,936</u> |

### 15 Commitments under operating leases

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as follows:

|                            | Land and buildings |               |
|----------------------------|--------------------|---------------|
|                            | 2005<br>£          | 2004<br>£     |
| Expiry date:               |                    |               |
| Within one year            | -                  | 10,400        |
| Between two and five years | <u>11,513</u>      | -             |
|                            | <u>11,513</u>      | <u>10,400</u> |