

The Bishopsgate Foundation

Trustees' Report and Financial Statements

For the year ended 31 March 2012

Company Registration No: 4362659

Charity Registration No: 1090923

The Bishopsgate Foundation 2011/12

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The Bishopsgate Foundation 2011/12

General Information

Registered Company Number: 4362659

Registered Charity Number: 1090923

Board of Trustees:

Ex-officio (2): The Reverend Dr Alan McCormack (Rector of St Botolph without Bishopsgate)
Alderman Neil Redcliffe (Alderman of the Ward of Bishopsgate)

Parish Trustees (2): (Nominated by the Rector and Churchwardens of the Parish of St Botolph) (Term 3 years) Diane Brunt (Retired 30 April 2011)
May Dare
Honor Wilson-Fletcher (Appointed 12 January 2012)

Nominated by the City Parochial Foundation¹ (2): (Term 4 years) Miles Barber (Retired 13 July 2011)
Michael Maunsell (Chairman until 27 April 2011)

Co-opted: (Term 3 years) Nigel Brockmann
Graham Bulpitt
Antonia Byatt
Christopher Cook
Marc Jordan
Stephen Jordan (Appointed 19 December 2011, Retired 22 June 2012)
Ruth Lesirge
Abigail Pogson
Michael Schraer (Appointed 3 January 2012)
Duncan Steel (Retired 2 September 2011)
Max Weaver (Chairman from 27 April 2011)
Leanne Tritton (Appointed 23 July 2012)

Special Advisor: Leanne Tritton (Appointed 16 January 2012)

Principal Officers: Andrew Fuller Chief Executive; Company Secretary
Kira Milmo Acting Director of Public Programmes
Geoff Wilson Director of Finance & Administration

Registered Office: Bishopsgate Institute
230 Bishopsgate, London, EC2M 4QH

Auditors: Mazars LLP
Times House, Throwley Way, Sutton, Surrey SM1 4JQ

Solicitors: Farrer & Co.
66 Lincoln's Inn Fields, London, WC2A 3LH

Bankers: HSBC Bank Plc, 100 Old Broad Street, London, EC2N 3LN

Investment Property advisors: Lamberts, 387 City Road, London, EC1V 1NA

¹ New Articles of Association were adopted by the Board of Trustees on 13 July 2011 these removed the nomination rights of the City Parochial Foundation and created 2 new positions to co-opt Trustees.

The Bishopsgate Foundation 2011/12

Vision, Mission, Values & Activity

Bishopsgate Institute is...

A multi-faceted space where knowledge and ideas are encouraged to flourish. With its impressive library, historic archive collections, diverse range of courses, programme of cultural events, schools & community learning programme and grant giving, the Institute enables a great many individuals from within the communities that it serves and further afield to pursue knowledge and entertainment, public debate and private learning.

Vision

Dedicated to opening minds, challenging perceptions and enriching lives.

Mission

We provide welcoming and inspiring spaces for people with a thirst for knowledge to learn and flourish. Through our library, historic collections, courses and cultural events, we enrich, entertain, and stimulate independent thought in a vibrant city environment.

Values

Welcoming

The visitor's experience of Bishopsgate Institute will be warm, inviting and inclusive.

Independent

We value and protect our freedom to choose our programmes and direction.

Professional

Our knowledgeable staff provide a high quality and helpful service to all our visitors.

Stimulating

Our programmes and activities inspire, challenge and entertain.

Activity

Bishopsgate Institute seeks to fulfil its charitable objects by providing educational and cultural facilities for the people of London and beyond. Our activities consist of:

Courses for Adults - A programme of short courses covering a wide range of subjects and programmes which aim to expand the horizons, quality of life and skills of those who participate. Concessions and bursaries are available.

Cultural events - A programme that includes talks, debates, concerts and other performances. Free concerts are arranged by the City Music Society and in association with other partners.

Library & Archive - A specialist Library holding collections of national and international importance concerned with the history of London, the East End, the Labour and Co-operative movements, freethought and humanism and protest and campaigning. In addition, Bishopsgate Library possesses substantial collections of maps, prints, oral histories, photographs and illustrations of the City and surrounding area. A quick reference section is also available. To use the Library and consult its collections is free

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Vision, Mission, Values & Activity

Schools & Community Learning - A wide range of workshops to groups and schools encouraging enquiry and discussion through facilitated tasks and activities. Our community users include adult carers, English for Speakers of Other Languages (ESOL) learners, and homeless and ex-homeless men and women. Our school users are from key stages 2 to 4 and include Special Educational Needs (SEN) students and young people on the 'at risk' register.

Community Programme – Activities in support of local people including:

- Grants to local charities. The Institute provides grants to a wide range of small charities that serve people in need in the three local parishes of St Botolph without Bishopsgate, Christchurch Spitalfields and St Leonard's Shoreditch.
- A pensioners' group. The Institute supports fifty five pensioners with quarterly pensions, monthly lunches, a Christmas lunch and a number of day trips per annum.

Venue Hire - The Institute has halls and rooms for hire for examinations, meetings and community events. The Institute has a policy of offering a 40% discount to all UK Registered Charities. Local organisations which are recipients of a grant from the Community Programme are offered free use of our spaces for the year in which the grant is awarded.

Charitable Objects

The objects of the Charity are:

- The provision and maintenance of an Institute in, or near the City of London, for the purpose of promoting the education of the public and in particular the provision of:
 1. a Library comprised of books, journals and other materials (whether electronic or otherwise) for the use of members of the public to be managed under regulations made from time to time by the Trustees; and
 2. public facilities to be managed under regulations made from time to time by the Trustees including the power to charge fees for their use.
- The relief by all charitable means of persons in need who are resident or working or have resided or worked in the area of the ecclesiastical parishes of St Botolph Without Bishopsgate, Christchurch Spitalfields and St Leonard's Shoreditch as defined from time to time.

Public benefit

The Trustees have had regard to the Charity Commission's general guidance on public benefit and are satisfied the charity's activities are a faithful expression of the aims of the charity and that, where a fee is charged, no member of the public need be excluded by the inability to pay.

The Institute takes very seriously the importance of measuring the success of what it does against its objectives. This is done through a range of qualitative and quantitative methods. Whilst the number of students or researchers attracted is very important, the quality of their engagement with us is central. This is measured in a variety of ways which we are developing as our programmes expand.

The Bishopsgate Foundation 2011/12

Five year financial summary

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Incoming Resources					
Voluntary Income (note 1)	361	813	678	93	35
Bishopsgate Halls	615	271	306	601	545
Investment income	750	785	826	937	1,039
From charitable activities	474	480	486	627	563
Total incoming resources	2,200	2,349	2,296	2,258	2,182
Costs of generating funds					
(note 2)	1,156	820	694	535	554
Charitable activities	1,736	1,374	1,247	1,403	1,184
Governance costs	71	71	85	84	58
Total resources expended	2,963	2,265	2,026	2,022	1,796
Net incoming resources before investment gains	(763)	84	270	236	386
Development project (note 3)	-	(564)	-	(81)	(237)
Gain (losses) on investments (note 4)	2,585	324	546	(2,582)	(367)
Net movement in funds	1,822	(156)	816	(2,427)	(218)
General funds	263	1,672	2,072	2,260	1,895
Designated funds	6,322	5,312	3,556	1,588	1,215
Restricted funds	1	(1)	6	-	-
Endowment funds	16,257	14,038	15,544	16,514	19,679
Total Funds	22,843	21,021	21,178	20,362	22,789
Percentage of total expenditure					
Costs of generating funds	39%	36%	34%	27%	31%
Charitable activities	59%	61%	62%	69%	66%
Governance costs	2%	3%	4%	4%	3%

Note 1 Voluntary income from 2010 to 2012 includes £1,423,296 from the Heritage Lottery Fund for the development project. A further £290,026 for the development project was received from other donors.

Note 2 Costs of generating funds includes the Hall Hire and of investment management fees. It has increased in the past years for two reasons: the impact on operating costs whilst the building was partially closed; the impact of re-organising investment properties. (See note 4, Page 26).

Note 3 Development Project shows separately operational costs relating to the Development project due to their materiality in 2008 and 2009. There was a disposal of superseded development assets in 2011.

Note 4 Gains/Losses on investments includes favourable Investment Property revaluations in 2012 and adverse Investment Property revaluations in 2009.

The Bishopsgate Foundation 2011/12

Chief Executive's Report

I think it is fitting, in the year that saw the completion of a refurbishment costing £7m, to acknowledge the Institute's creator, the Reverend William Rogers.

Having bought the site and erected the building all for the sum of £70,000 (£6.3m in today's money using the Retail Prices Index), no doubt Rogers would have marvelled at the cost but thoroughly approved of the expenditure that will secure the Institute's future for many years to come.

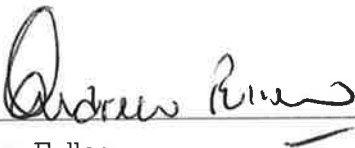
This was a transitional year in which our main aims were to reverse the planned for deficits of the previous two years, achieve break-even, develop our programmes in the light of our vision and raise the profile of the refurbished and rebranded Institute. In the event, realisation of our aspirations was hampered by three problems. First, the late completion of the refurbishment project which finished almost 2 months behind schedule. This delayed the opening of the new café and of the refurbished halls, causing a shortfall in budgeted revenue that we were not able to recoup by the year end. Secondly, a lower than expected contribution from our Courses programme and thirdly, lower than expected returns from listed investments.

Nevertheless all our programmes have seen development. We have mounted new and more discursive courses in Current Affairs and Critical Thinking. The cultural events programme now includes more contemporary and topical themes and we have found new ways to engage communities and schools with our archive collections. Overall we have seen a 36% increase in our audiences.

This is a time of great opportunity for the Institute: we have significant financial resources, a beautifully restored building in an unrivalled location, plus the drive from Trustees and staff who are determined to take the organisation to another level of activity and prominence.

Equally important is the brand capital we have developed over the last 115 years as an organisation that people trust and respect as a provider of ideas, knowledge and talent and preserver of community heritage.

Our aim now is to build the Institute's reputation and develop its voice and flavour such that it becomes a more significant presence and contributor to intellectual and cultural life throughout London and beyond so that within a few years it will be as celebrated as the building itself.



Andrew Fuller

The Bishopsgate Foundation 2011/12

Trustees' Report

Bishopsgate Institute refurbishment

The refurbishment programme which started in summer 2009 was substantially completed by the summer of 2011. However there were some delays—particularly to the completion of the café—that impacted adversely on expected revenue. A number of snags and defects remain outstanding.

The official re-launch of the Institute took place on 22nd June 2011 with an evening of celebration for the Institute's funders, partners and supporters. This was followed by a week of free courses and events, culminating in a special open day full of free taster courses, talks, tours and music.

Towards the end of the financial year, the final account with the main contractor was settled. Whilst some outstanding but immaterial claims for professional fees remain, the full and final cost of the refurbishment works will be circa £6.5m. The excess of some £300,000 over budget, arises largely because the Institute decided to contribute £233,000 towards the cost of the café fitout (thus changing the terms of the agreement with the operating contractor) and to include some additional items, such as the creation of a garden area to complement our Courtyard Room.

We would like to acknowledge once again the very generous support of all our funders, including especially the Heritage Lottery Fund, City Bridge Trust, The Wolfson Foundation, The Garfield Weston Foundation, the Worshipful Company of Leathersellers and the Worshipful Company of Mercers.

Public Programmes

Cultural Events

The past year has been a period of transition for the cultural events programme, introducing more topical and discursive events in line with our vision to open minds and challenge perceptions, and striving to bring in leading thinkers and celebrated speakers.

The quality of discussion at most events has been very high with excellent feedback from both audience and speakers who were impressed with the level of debate and questions from our audiences. The cultural events have engaged a range of high profile speakers, including Robert Elms, Tariq Ali, Bonnie Greer, Jonathan Meades, David Aaronovitch and David Kynaston.

Average audiences for the topical talks and discussions increased from last year but did not quite reach the ambitious target of a 70% increase on the previous year. We will be focusing on this area to raise its profile further.

Our themes for 2011/12 included:

1. London in Peril (May to July 2011): co-curated by broadcaster Robert Elms, the events explored issues relevant to Londoners from revolution to terrorism, gentrification to expansion, crime to protest.
2. Whose Mind is it Anyway? (September 2011 to January 2012): working with partners Little Atoms, the talks and discussions explored what or who affects how we think and behave.
3. Monarchy & Republicanism (January to July 2012): a series of talks and discussions looking at the history of republicanism, the monarchy's relationship with the media and culminating in a debate on whether we should have a monarchy or a republic.

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Our free series of lunchtime concerts, which is run in partnership with the City Music Society, continues to be successful and attracted an average audience of 152 people (2010/11: 135) per concert.

During the year new partnerships were formed with Vortex, Philosophy for All and Little Atoms radio.

For 2012 and beyond, determining how, across all its activities, the Institute can take full advantage of the opportunities that are afforded by new digital technologies will be a key and pressing issue.

	2011/12	2010/11*	2009/10*
Total number of Events	80	59	88
Total Audience	7,532	4,497	7,401
Average attendance per event	94	76	84

* During 2009/10 and 2010/11 the building was being refurbished.

Courses

Our main focus this year has been on reviving enrolments after the two-year refurbishment. After a very disappointing summer 2011, enrolments improved and in spring 2012 we had the highest number of enrolments since summer 2009 when the refurbishment started. However, overall we were unable to recoup all the earlier losses, ending the year with fewer students than in 2010/11.

This year several of our courses reflected the Institute-wide themes of Whose Mind is it Anyway? and Monarchy & Republicanism.

We have also begun to develop our Saturday and daytime courses. Enrolments for Saturday courses are looking particularly encouraging.

A new online resource was launched for languages students, with 178 unique hits for its first term.

Student feedback continues to be positive with 98% rating our tutors' knowledge and preparation as excellent or good.

The following table places the current year in context:

	2011/12	2010/11*	2009/10*
Students	3,928	4,045	4,104
Number of courses	506	450	408

* During 2009/10 and 2010/11 the building was being refurbished.

A bursary scheme is available for those students who for good reason are unable to afford the course fee. A total of 21 full-fee bursaries (2010/11: 24) were awarded out of 38 applications. The value of the bursaries awarded amounted to £2,532. We are seeking to raise further funds to expand this important activity.

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Library and Collections

The Library has experienced a 25% rise in researcher numbers from 908 in 2010/11 to 1,139 in 2011/12. This achievement is due to several factors, including: the introduction of the Researchers' Area; the increasing professionalization of the service; the acquisition of exciting new collections, such as the Lesbian & Gay Newsmedia Archive (LAGNA); the progress of our cataloguing project and the success of our promotional and outreach efforts. This period also witnessed the highest number of researchers in a single week since the Library began recording statistics in 2006.

General Library visitor numbers increased by 32% from 18,847 in 2010/11 to 24,934 in 2011/12. Several factors may account for this, including: the availability of wifi; the rising profile of the Library and the Institute as a whole; and the overall increase in audience numbers coming to the Institute.

We continue to make good progress with electronic cataloguing. During the year, 10,085 new library records and 2,582 new archive records were catalogued. On 31 March 2012 total library catalogue records reached 53,298 and total archive catalogue records 22,580. We are now approximately 60% through our retrospective cataloguing, of which over 40% has been achieved in the last 3 years, due to the diligent work of staff and volunteers.

New collections include archives and library material from: the General Federation of Trade Unions; Labour MP Lord Corbett of Castle Vale; Labour activist Reg Ward; Labour academic Anne Gray; Joyce Butler (Labour MP) and Vic Butler (Labour/co-operative activist; Spartacist Publications; the Nirmul Committee UK; the Whitechapel Anarchist Group; and the Feminist Library Ephemera Collection.

The Library conducted 52 talks and tours for academic, general professional and historical interest groups.

Articles on the Library or its collections appeared in several newspapers and journals, including The Independent and the Daily Mail. The library was featured on national television as a location for Who Do You Think You Are? and Heir Hunters.

Recent collections digitised include socialist songs and speeches from major figures such as George Lansbury and Willie Gallacher. The Library now has around 6,000 images available via its online ADLIB OPAC.

The past year has seen a large rise in the number of reprographic orders and requests for reproduction for books and journals, both from national and international authors and publishers. This is undoubtedly due to the coverage of the collections in online resources such as Spitalfields Life and Exploring 20th Century London.

Community Benefit

Schools & Community Learning

Following the appointment of a full-time Learning Officer in January 2011 and part-time Community Learning Officer in April 2011, we launched our formal schools and community learning programme.

The take-up of workshops has exceeded targets, despite little formal marketing to date. We have continued our partnership with HRP Tower of London for Take One², and play

² Take One... uses a single document, object, picture or building to inspire creative cross-curricula teaching in primary schools. It was devised by the National Gallery, London region champion is Historic Royal Palaces Tower of London

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Trustees' Report

an active role in the Campaign!³ Network. The department delivered four projects, ranging from 6 to 12 weeks and offering sustained engagement with our collections for hard-to-reach audiences, for example young people at risk of exclusion.

We host an HLF Skills for the Future trainee, who is developing an online learning resource that is inspired by the Raphael Samuel collections and uses oral history about WW2. This project was a named activity in our successful 2007 Heritage Lottery Fund bid.

Schools and young people:

During the year we hosted 36 workshops in which 684 school students and young people participated (2010/11: 257).

Community and adult learners:

In 2011/12 we delivered 40 workshops which reached 493 adults (2010/11: 477). This was achieved by the team developing five new workshops and, in partnership with Hackney Community College, an ESOL-specific workshop.

A range of materials (photographs, letters, diaries, press cuttings and ephemera such as badges) from across the collections are used in our workshops.

Feedback received

"[One] pupil has been truanting lately, he has walked out of school four times this week. Today he was engaged and focussed and making links between the archives and current events. It was great for us to see this side of him." Teacher accompanying SEN group, March 2012

"Thank you so much for two truly wonderful and co-operative sessions that you gave us at the Institute today and yesterday. We were so privileged to see, and use the Co-op materials; it was a very well organised and inspirational experience. I hope we can build on this initial workshop and I very much look forward to working with you in the very near future." Teacher accompanying Year 8-9 students from a Co-operative sponsored school, March 2012.

Partnerships:

Productive networking partnerships have been established and/or sustained with a range of external organisations, including: Hackney Community College; Camden Carers; Waltham Forest History Teachers' Group; Raphael Samuel History Centre's History & Schools' Group; Museums and Galleries Skills for Life Network; London Metropolitan Archives; Crisis English Club; Bernie Grant Trust; and Xlternative Productions.

Volunteering

The Volunteers Coordinator was appointed in April 2011 and has been developing and formalising the volunteering programme. This has enabled us to expand our volunteering programme to include 60 volunteers in 2011/12 (2010/11: 32).

We have eight volunteer teams, which are deployed across all our activities. Volunteers are extremely important to us. They make an essential contribution to our work, whether it is sewing together a fragile 19th century pamphlet, cataloguing or helping staff at a cultural event. Their passion and enthusiasm makes them excellent ambassadors.

³ Campaign! Make an Impact is an innovative initiative that uses history to inspire young people into active citizenship. It was devised by the British Library

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Charitable Support (Eleemosynary activity)

During the year, the Institute distributed 25 grants totalling £35,000 (2011: 21 grants totalling £35,000). The size of the grant ranged from £1,000 up to a maximum of £3,000. Many of the organisations supported are very small and our grant can help to make a real difference.

Grants were given across the following categories:

	2011/12		2010/11	
	Value of grants	No of grants	Value of grants	No of grants
Elderly	£10,000	4	£10,000	5
Mental Health	£7,000	5	£7,000	4
Youth	£11,250	11	£6,200	5
Other	£6,750	5	£11,800	7
Total	£35,000	25	£35,000	21

Grant cheques were presented at a Grant Awards Evening, held in October in the Great Hall and attended by over 70 people. Two charities gave brief presentations of their work and eight charities set up displays. The broad aim of the evening was to raise awareness of the Institute's community outreach work and to provide an opportunity for the many charities that work with people locally to engage with City and East End firms.

The Institute gratefully acknowledges the support from the Trustees of the Dulwich Almshouse Charity for their provision of ten additional pensions and their contribution of £10,000 to help fund those charities that work with the elderly.

St Botolph without Bishopsgate

By virtue of the original charity scheme dated 1891, the Institute pays the church 2/15ths of the net income of the assets that comprise the Underwood Estate. These assets include listed securities and property. In 2011-12, the Institute paid £15,749 to the church to help with the cost of its upkeep.

Strategy and Plans for the Future

Financial stability

Financial independence is fundamental to the Institute's mission and strategy, enabling the Institute to protect its freedom to choose its programmes and the direction of its development.

Returns on investments were affected adversely by the recession and the disruption of the refurbishment project significantly reduced the income from the letting of halls and from student enrolments on our Courses for Adults programme.

However, progress has been made in both these areas in 2011/12 and the Institute's current strategy is to contain overheads whilst facilitating the recovery of courses enrolments and—importantly in this context—the expansion of commercial income through venue hire.

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Higher and wider visibility

Whilst the refreshed façade, the new entrance facing Spitalfields and our new branding have undoubtedly raised local awareness of the Institute's existence, the challenge now is to develop the profile and presence of the Institute—locally, across London, nationally and internationally. This will be achieved through: programming that accords with our vision to open minds and enrich lives; making the most of digital media; and utilising external PR and profile-raising opportunities as much as possible.

Increased audiences

The content of our public programmes is the public face of the Institute. During the next five years, the Institute is seeking to develop its audiences and their engagement through positioning itself as a multi-faceted venue offering a range of cultural activities and educational opportunities that open minds and enrich lives.

Director of Programmes:

During 2011-12 the then Director of Programmes decided not to return following maternity leave. This is a crucial post for the Institute and requires an exceptionally creative individual with the experience to think strategically and devise a compelling programme. They will develop our profile, reach and presence by conveying the excitement of the programme to both new and existing audiences.

There was a good deal of interest in the post and we believe we have appointed someone with a genuine passion for our vision and the ability to interpret it effectively and to extend our reach throughout London and further afield. Following this appointment, it will be timely to review our strategy for public programmes and, in turn, to review the corporate strategic plan.

Financial Review

Review 2011/12

The development project was completed in June 2011 and has, as a result, continued to have a significant impact on the Foundation's finances during the year.

The general fund suffered an operational deficit of £217,270 (2010/11 £399,797 deficit) due partly to the impact of the building works in the three months to June and partly from difficult trading conditions affecting the sale of courses and venue hire.

Total resources expended increased by £698,266 to £2,963,324. Depreciation commenced on the development project assets in 2011/12 at £330,804 and this formed a significant part of this increase.

The reorganisation of the 16-24 Underwood Street property, together with the management and maintenance of other properties continued to incur material management costs of £230,326. There were further costs of £51,590 associated with launch and branding. These costs are anticipated to reduce during 2012/13.

During the year the Foundation spent £1,317,799 on the development project and received £333,495 from the Heritage Lottery Fund towards the project. The final transfer from endowment reserve under orders made by the Charity Commission of £189,600 was made. The balance was funded by a transfer from the general fund. Under the terms of the Charity

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Commission orders repayment of £1,846,124 from the general fund to the endowment fund is required over 25 years and the first repayment of £73,842 took place in 2012.

Listed investments performance and policy

The Trustee Act 2000 applies to the Foundation's endowment charity. During the year the Foundation approved a written Statement of Investment Principles. The Foundation's investment policy is biased towards income such that the portfolio growth should ensure that the capital value of investment over a rolling three year period exceeds UK RPI; and that the income over a three year rolling period is 50% in excess of the average yield of the FTSE 100 companies for the same period.

Actual income for the year was £202,206. This was £51,730 below the previous year as £1,350,000 of the total value of the portfolio was sold to provide for the cost of the development project. The investment funds were valued at £3,197,200 on March 31st 2012.

Investment properties

Rental income from all the properties amounted to £547,268 (an increase of £32,698 on 2010/11). The properties have been revalued by Lamberts on 31st March 2012 and the value of the properties has increased by £2,450,675 to £11,225,000.

Reserves policy

The Trustees' policy is to maintain sufficient free revenue reserves to meet evaluated risks and approved operational plans. As of 31st March 2012 an evaluation of risks and business plans showed that free reserves of £474,442 were required. At that date adjusted free revenue reserves stood at £149,269 (excluding fixed assets (see note 17)) which is insufficient to meet the current policy. The reserves policy and position are reviewed annually and the Trustees intend to restore the reserve shortfall through operating plans over the coming three years.

Risk management

The Trustees reviewed the strategic, business and operational risks to which the Institute is exposed and systems have been established to mitigate those risks. Progress is reviewed regularly by the Senior Management Team. The Finance & General Purposes Committee reviews the risk register annually and reports to the Board annually.

The Institute's location on a busy, primary thoroughfare in the City means that a key element of our risk strategy is having disaster contingency and business continuity plans. An interim business continuity plan was in place during the period of the development project and this plan will be updated now that the project is complete.

The Bishopsgate Foundation 2011/12 Trustees' Report

Organisation and Governance

Legal status

The Bishopsgate Foundation is a charitable company limited by guarantee, incorporated on 29 January 2002 and entered on the Central Register of Charities on 5 March 2002. It was established to hold the non-permanently endowed assets and undertake the day-to-day activities of The Bishopsgate Foundation Endowment Charity ('the Scheme Charity') from 1 April 2002. The permanent endowment assets are retained by the Scheme Charity pursuant to the terms of a Scheme of the Charity Commissioners, which became effective on 7 April 2003 and appointed The Bishopsgate Foundation as sole corporate Trustee of the Scheme Charity.

The Scheme Charity (Charity No: 208874) is constituted under a Scheme of the Charity Commissioners dated 23 February 1891, with subsequent modifications, within the framework of the City of London Parochial Charities Act 1883.

Under the name Bishopsgate Institute, the Foundation provides a library, a community programme and undertakes a range of educational and cultural activities from a grade II* listed building in the heart of Spitalfields in the City of London.

On 17 February 2006 The Bishopsgate Foundation created a wholly-owned subsidiary company called B.I. (Trading) Limited, which was established to operate the Institute's meeting and hall hire facility from 1 April 2006.

Board of Trustees

The Foundation's Articles of Association state that the Board of Trustees shall comprise not more than fifteen persons: two Ex-Officio Trustees, two Parish Trustees, and not more than eleven Co-opted Trustees. There must at all times be no fewer than five Trustees of whom no fewer than three must be Co-Opted Trustees.

All Trustees (other than an Ex-Officio Trustee) are appointed for a term of three years and, unless there are exceptional circumstances, do not serve for more than three terms.

General Trustee responsibilities are considered to be:

1. Strategic—defining and approving the Institute's Mission and Values, the Aims and Objectives arising from these, and arriving at appropriate policy decisions to take them forward;
2. Stewardship—to have responsibility for the Institute's assets, their preservation and exploitation, and assessing risks;
3. Monitoring—to oversee the effective management of the Institute and its service delivery, selecting and supporting the Chief Executive, and ensuring good human relations practice is applied;
4. Promotion of, and advocacy, for the Institute to external clients/partners/stakeholders;
5. Governance—ensuring that Trustee business is conducted effectively and that the Trustees' Code of Governance is followed.
6. The Board meets at least four times a year.

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Trustee selection process

When a vacancy exists, the Trustees' Governance Committee considers the skills and personal profile that would best contribute to the needs of the Institute. The Governance Committee also recommends to the Board the process to be adopted and supervises the selection process. Since 2007, it has been the practice to advertise vacancies in the press and other media and to conduct a competitive process with interviews with a selection panel of Trustees to whom the responsibility for selection has been delegated by the Board.

Trustee induction and training

The Foundation recognises that new Trustees must be made aware of its charitable purposes, modus operandi, plans, problems and challenges etc. All new Trustees, Co-opted, and Ex-officio are provided with a copy of the Trust Deed, Standing Orders Rules & Regulations, the latest Annual Report & Accounts, Strategic Plan, Risk Assessment, publicity material and minutes, meet the Chief Executive and are shown the main areas and facilities of the Institute. Where appropriate, other steps, including briefing by the Chairman and the appointment of another Trustee to act as mentor, may be taken.

Trustees are encouraged to attend external training events where these will facilitate their responsibilities as Trustees.

Management

The Board of Trustees has established five principal committees to discharge functions relating to the administration and management of the Foundation:

1. Finance & General Purposes (meets at least three times a year)
2. Public Programmes (meets at least twice a year)
3. Human Resources (meets at least once a year)
4. Eleemosynary (responsible for charitable grants & pensions) (meets at least once a year)
5. Governance Committee (meets when necessary)

Other sub-committees and working groups are constituted on an ad-hoc basis as required.

The Senior Management Team (the Chief Executive, Director of Programmes and Director of Finance & Administration) are responsible for the efficient running and development of the Institute in accordance with the strategy, policies and decisions of the Board of Trustees. They meet as a group monthly.

Review of the year

The Trustees take seriously the need to review the performance of the Board and to look at how Trustees can best carry out their functions. It is the practice for the Chairman to meet each Trustee once a year and discuss issues of governance and any personal concerns that they may have. A report is made to the Board. Where something is identified from that process or otherwise, action is taken. Steps have been taken to ensure that the Trustees' contribution to strategy and ideas about important projects is timely and appropriately facilitated.

A Trustee recruitment campaign was conducted in the third quarter of 2011 and as a result, three new appointments to the Board of Trustees have been made. We were impressed with the quality of the applicants and see this as a reflection of the rising reputation of the Institute. These appointments have added significantly to the Board's experience of financial management, investment management, marketing, and public relations.

The Bishopsgate Foundation 2011/12 Trustees' Report

Work updating the Foundation's constitution was completed during the year and new Articles of Association were adopted by the Board of Trustees at an EGM held on 13 July 2011. The Foundation subsequently revised its Standing Orders, Rules & Regulations to comply with the new Articles of Association and updated the terms of reference of all its principal committees. A new Statement of Investment Principles was approved and these and all other major Trustee policies have been combined into a new Trustee Handbook.

Statement of Trustees' Responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of The Bishopsgate Foundation as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of The Bishopsgate Foundation and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities' Statement of Recommended Practice (SORP) 2005. They are also responsible for safeguarding the assets of The Bishopsgate Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

- a) So far as the Trustees are aware, there is no relevant audit information of which the Bishopsgate Foundation auditors are unaware, and
- b) They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

Approved by the Board on 23 July 2012

and signed on its behalf by



Max Weaver

Independent auditor's report to the members of The Bishopsgate Foundation

We have audited the financial statements of The Bishopsgate Foundation for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 18, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charity's affairs as at 31 March 2012 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

N J Wakefield

Nicola Wakefield (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Times House
Throwley Way
Sutton
Surrey
SM1 4JQ
Date: *20 December 2012*

The Bishopsgate Foundation
Consolidated Statement of Financial Activities
For the year ended 31 March 2012

	Notes	Revenue £	Unrestricted Designated Development Fund £	Restricted £	Endowment £	Total funds 2012 £	Total funds 2011 £
Incoming resources							
Voluntary income		19,288	-	341,609	-	360,897	812,668
Activities for generating funds							
Bishopsgate Halls	2	614,892	-	-	-	614,892	271,501
Investment income	3	749,924	-	-	-	749,924	784,822
Incoming resources from charitable activities	3	474,597	-	-	-	474,597	479,988
Total incoming resources		1,858,701	-	341,609	-	2,200,310	2,348,979
Resources expended							
Cost of generating funds		587,882	330,766	-	237,581	1,156,229	820,157
Charitable activities		1,417,091	205,992	100,269	12,745	1,736,097	1,373,999
Governance costs		70,998	-	-	-	70,998	70,902
Total resources expended	4	2,075,971	536,758	100,269	250,326	2,963,324	2,265,058
Operating (deficit)/surplus		(217,270)	(536,758)	241,340	(250,326)	(763,014)	83,921
Transfers	13, 14, 15	(1,192,057)	1,546,584	(238,769)	(115,758)	-	-
Net movement in funds before revaluations		(1,409,327)	1,009,826	2,571	(366,084)	(763,014)	83,921
Realised loss on fixed assets due to the development project		-	-	-	-	-	(564,204)
Realised gain on investment property	10	-	-	-	138,893	138,893	170,329
Unrealised gain on investment property	10	-	-	-	2,450,675	2,450,675	-
Unrealised/Realised investment (losses)/gains	10	-	-	-	(4,495)	(4,495)	153,479
		(1,409,327)	1,009,826	2,571	2,218,989	1,822,059	(156,475)
Funds brought forward	13,14,15	1,671,905	5,311,951	(1,143)	14,038,220	21,020,933	21,177,408
Funds carried forward	13,14,15	262,578	6,321,777	1,428	16,257,209	22,842,992	21,020,933

All of the Foundation's incoming resources and resources expended are derived from continuing operations.

The Foundation has no recognised gains and losses other than those shown above.

The notes on pages 22 to 33 form part of these financial statements

The Bishopsgate Foundation

Balance sheets at 31 March 2012

	Notes	Group			Charity		
		2012	2011	2012	2011	2012	2011
		£	£	£	£	£	£
Tangible fixed assets	9	8,155,086	7,128,256	8,155,086	7,128,256		
Investment assets	10	14,422,200	13,326,020	14,422,201	13,326,021		
		<u>22,577,286</u>	<u>20,454,276</u>	<u>22,577,287</u>	<u>20,454,277</u>		
Current assets							
Debtors	11	477,404	791,317	414,764	868,241		
Bank deposits		500	138,991	500	138,991		
Cash at bank and in hand		103,232	267,055	88,929	160,762		
		<u>581,136</u>	<u>1,197,363</u>	<u>504,193</u>	<u>1,167,994</u>		
Creditors: amounts falling due within one year	12	(315,430)	(630,706)	(238,488)	(601,338)		
		<u></u>	<u></u>	<u></u>	<u></u>		
Net current assets		265,706	566,657	265,705	566,656		
Net assets		<u>22,842,992</u>	<u>21,020,933</u>	<u>23,842,992</u>	<u>21,020,933</u>		
Funds							
Endowment	13	16,257,209	14,038,220	16,257,209	14,038,220		
Restricted	14	1,428	(1,143)	1,428	(1,143)		
Unrestricted							
Revenue	15	262,578	1,671,905	262,578	1,671,905		
Development fund	15	6,321,777	5,311,951	6,321,777	5,311,951		
		<u>6,584,355</u>	<u>6,983,856</u>	<u>6,584,355</u>	<u>6,983,856</u>		
		<u>22,842,992</u>	<u>21,020,933</u>	<u>22,842,992</u>	<u>21,020,933</u>		

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board on 23 July 2012

and signed on its behalf by:

Max Weaver

The Bishopsgate Foundation

Notes to the financial statements

For the year ended 31 March 2012

1 Accounting policies

The financial statements have been prepared in accordance with the Companies Act 2006, applicable accounting standards and under the historical cost convention, as modified by the revaluation of certain fixed assets and the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in 2005. The financial statements include those of the linked charity administered by the Foundation, "The Bishopsgate Foundation Endowment Charity".

1.2 Basis of consolidation

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the charity's wholly owned subsidiary undertaking, B.I. (Trading) Limited, made up to the Balance sheet date.

No separate Statement of Financial Activities is presented for the charity as permitted by the Companies Act 2006, and paragraph 397 of SORP 2005.

The net movement in funds dealt with in the charity's Statement of Financial Activities for the year ended 31 March 2012 was a surplus of £1,822,059.

1.3 Income

The Foundation's income is accounted for as follows:

- i) **Rental income from permanent endowment properties**
Rental income from the Endowment Charity's properties is included in the financial statements when it falls due. However, where the lease has expired and the outcome of negotiations in respect of outstanding rent is uncertain, rental income is included on a cash received basis.
- ii) **Permanent endowment investment income**
Deposit interest and dividend income are accounted for on an accruals basis..
- iii) **Venue hire**
Income is accounted for on an accruals basis in accordance with the date of letting.
- iv) **Heritage Lottery Fund (HLF) grant**
The HLF grant is recognised in line with expenses incurred.

1.4 Expenditure

The Foundation's expenditure is accounted for on an accruals basis.

1.5 Designated funds

In order to recognise the expenditure made from unrestricted funds on endowed assets, the Trustees will, when prudent, allocate such expenditure to a designated development fund.

1.6 Tangible fixed assets

The Institute building and freehold land, excluding the works on improvements, is included at a valuation as at 30 April 2002 provided by DTZ Debenham Tie Leung, who are unconnected with the Foundation. The valuation has been frozen under the transitional provisions of Financial Reporting Standard 15 and will not be updated.

All assets costing more than £1,000 are capitalised.

The Bishopsgate Foundation

Notes to the financial statements

For the year ended 31 March 2012

1 Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Fixed assets are capitalised and written off by equal annual amounts over their estimated useful lives as follows:

Institute buildings	- 50 years
Freehold improvements	- 25 years
Computer equipment	- 3 years
Office and other equipment	- 1 to 10 years
Fixtures and fittings	- 1 to 5 years

Depreciation is charged to the fund to which the asset relates. Freehold land is not subject to depreciation.

The work covered by the development fund has now been completed and the assets came into use in 2011/12. The costs of the development project have been transferred to Development Fund Freehold Improvement and to Furniture and Equipment where applicable.

1.7 Investment assets

Investments are held at market value at 31 March 2012. The market value is calculated at the mid-market price on 31 March 2012.

Investment properties are included in the financial statements at their professional open market valuation as at 31 March 2012. Independent valuations are obtained on a five yearly basis or more frequently when Trustees deem appropriate. These are reviewed on an annual basis by Trustees to assess the valuation for the purposes of the financial statements.

1.8 Cash flow statement

Under Financial Reporting Standard 1 (Revised), the charity is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

1.9 Prints and library collections

The Institute possesses a substantial collection of books, prints, maps and photographs received at no cost. These assets are considered inalienable and their retention for historic reasons is essential to the furtherance of the charity's objects. The Trustees consider that owing to the incomparable nature of the collection preserved by the Institute, conventional valuation approaches lack sufficient reliability, and that even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Institute and the users of these accounts. Therefore no value in respect of these items is included in the Balance sheet.

Bishopsgate Library holds unique collections of printed and archive material on the history and topography of London, and on free thought and working class movements in the 19th and 20th Centuries. The collections are recognised and valued by historians across the world.

The Library also holds collections relating to:

George Howell (1833-1910), trade unionist and MP for Bethnal Green

George Jacob Holyoake (1817-1906), secularist and early Co-operative Movement activist

Charles Bradlaugh (1833-1891), freethinker and politician, founder of the National Secular Society

Raphael Samuel (1934-1996), major cultural historian, local resident, and user of Bishopsgate Library over 25 years

The London Co-operative Society

The Bishopsgate Foundation

Notes to the financial statements

For the year ended 31 March 2012

1 Accounting policies (continued)

1.10 Pension costs

The charity operates a defined contribution scheme for employees. Contributions are charged in the Statement of Financial Activities as incurred.

1.11 Support costs and governance costs

Support costs include: expenditure on telephones, stationery, printing, marketing, subscriptions and equipment maintenance. These costs are apportioned across charitable activities and governance costs on an appropriate basis.

Governance costs include costs of governance arrangements which relate to the general running of the charity. These activities provide the governance infrastructure which allows the charity to operate and to generate the information required for public accountability.

1.12 Operating leases

Rentals under operating leases are charged on a straight-line basis over the term of the lease.

2 Results of trading activities of the subsidiary

The Foundation has a wholly-owned trading subsidiary B.I. (Trading) Limited. The principal activity of B.I. (Trading) Limited is the letting of surplus room space at The Bishopsgate Foundation .

	2012 £	2011 £
Turnover	614,892	271,501
Administrative expenses – management charged from parent charity	(613,567)	(268,690)
Interest payable	<u>-</u>	<u>-</u>
Total expenses	<u>(613,567)</u>	<u>(268,690)</u>
Profit for the year	1,325	2,811
Payable to The Bishopsgate Foundation under Gift Aid	<u>(1,325)</u>	<u>(2,811)</u>
Net result for the year after Gift Aid	<u>-</u>	<u>-</u>
Shareholder's Funds	<u>1</u>	<u>1</u>

A management charge of £613,567 (2011:£268,690) was made by The Foundation to B.I. (Trading) Limited for the year.

The Bishopsgate Foundation
Notes to the financial statements
For the year ended 31 March 2012

3 Incoming Resources

	2012 £	2011 £
Investment Income:		
General Estate		
Rents	189,874	132,739
Insurance	4,018	3,816
Listed Investments	138,916	174,454
Deposit Income	309	11,209
Total General Estate	333,117	322,218
Underwood Estate		
Rents	311,982	338,563
Insurance	41,394	39,452
Listed Investments	63,290	79,482
Deposit Income	141	5,107
Total Underwood Estate	418,807	462,604
Total Investment Income	749,924	784,822
	2012 £	2011 £
Incoming resources from charitable activities:		
Courses for Adults	443,819	459,513
Bishopsgate Library	8,878	5,585
Learning	-	1,437
Cultural Events	21,900	13,453
Total Incoming resources from charitable activities:	474,597	479,988

The Bishopsgate Foundation
Notes to the financial statements
For the year ended 31 March 2012

4 Analysis of charitable expenditure and allocation of support costs and overheads

	Basis of allocation	Courses for Adults	Reference Library	Cultural Events	Learning Activities	Grants & Pensioners	Total Charitable activities c/f
		£	£	£	£	£	£
Staff costs	Direct	207,984	206,562	97,975	112,954	3,248	628,723
Direct expenses	Direct	207,067	37,849	22,323	7,104	2,742	277,085
Marketing	Direct	76,108	2,275	39,653	3,330	-	121,366
Grants	Direct	-	-	-	-	77,194	77,194
Total		491,159	246,686	159,951	123,388	83,184	1,104,368
Premises	Usage	36,723	80,786	24,483	4,898	-	146,890
Admin & equipment	Staff time	21,950	47,293	14,222	3,093	-	86,558
Staff costs	Staff time	54,954	27,635	43,607	7,338	25,494	159,028
Depreciation	Usage	8,203	16,688	7,549	821	-	33,261
		612,989	419,088	249,812	139,538	108,678	1,530,105
Depreciation	Usage (note 2)	51,498	113,296	34,332	6,866	-	205,992
		664,487	532,384	284,144	146,404	108,678	1,736,097
	Basis of allocation		Charitable activities b/f	Cost of Generating funds	Governance Costs	2012 Total	2011 Total
			£	£	£	£	£
Staff costs	Direct		628,723	159,382	-	788,105	695,243
Direct expenses	Direct		277,085	234,638	210	511,933	295,595
Marketing	Direct		121,366	5,790	-	127,156	107,369
Grants	Direct		77,194	-	-	77,194	75,602
Total			1,104,368	399,810	210	1,504,388	1,173,809
Premises	Usage		146,890	97,917	-	244,807	247,808
Admin & equipment	Staff time		86,558	119,603	13,304	219,465	179,518
Staff costs	Staff time		159,028	79,561	57,484	296,073	284,269
Depreciation	Usage		33,261	27,769	-	61,030	117,092
Investment costs	Direct		-	278,491	-	278,491	241,834
St Botolph	Direct		-	15,749	-	15,749	20,728
			1,530,105	1,018,900	70,998	2,620,003	2,265,058
Depreciation	Usage (note 2)		205,992	137,329	-	343,321	-
			1,736,097	1,156,229	70,998	2,963,324	2,265,058

Note 1: Costs of generating funds at £1,156,229 includes the costs of managing investments and the operating costs of venue hire.

Note 2: Depreciation due to the development project has increased in 2012 as the asset has come into use. The depreciation has been shown separately due to its material impact.

The Bishopsgate Foundation
Notes to the financial statements
For the year ended 31 March 2012

5 Investment management costs

	2012 £	2011 £
Investment property:		
Repairs and renewals	79,398	6,587
Un-recovered service costs	-	70,116
Insurance costs	48,165	51,123
Legal and professional	150,928	114,008
	<u>278,491</u>	<u>241,834</u>

6 Grants to charitable organisations and pensioner support

	2012 £	2011 £
Grants to local charities are as follows:		
The Adventurers History Club	1,490	1,200
Alpha Family Services	1,000	1,500
Arts for All	1,250	2,300
BBC Community Centre	-	1,000
Bongobir Osmany Trust	-	1,000
Boundary Community School	1,000	-
CalibreMinds	1,000	-
Children With Aids	-	1,000
City and East London Bereavement Service	1,000	1,500
City and Hackney Carers Centre	-	1,500
The Daneford Trust	1,000	-
Door of Hope	2,000	2,000
First City of London Scout Group	500	1,500
Globe Bengali Mohila Shamity	1,500	1,500
Heba Women's Project	1,500	2,000
Hoxton Health	3,000	3,000
Inner City Centre	-	2,000
Kazzum	1,250	-
Language of Dance Trust	1,000	-
Map Squad	1,000	-
New Step Training	-	1,000
Rainbow Film Society	1,000	-
Sandys Row Synagogue	-	1,500
Spitalfields City Farm	1,500	2,000
Society Links	1,000	-
Stepney Community Trust	1,000	-
SSAFA Forces Help (East London)	2,000	-
The Tab Centre	2,000	1,500
Tower Hamlets Friends and Neighbours	3,000	3,000
Tower Hamlets Parents Centre	1,000	1,000
U-Turn Project	2,000	2,000
Young News	1,010	-
	<u>35,000</u>	<u>35,000</u>

The Bishopsgate Foundation
Notes to the financial statements
For the year ended 31 March 2012

6 Grants to charitable organisations and pensioner support (continued)

	2012 £	2011 £
Grants to Charitable Organisations	35,000	35,000
Cost of pensions and other support	42,194	40,602
	<u>77,194</u>	<u>75,602</u>
Expenditure from Restricted funds (see note 14)	2,742	31,473
Staff costs	28,742	38,915
	<u>108,678</u>	<u>145,990</u>

7 Total staff costs	2012 £	2011 £
Salaries and wages	922,645	865,597
Social Security costs	94,986	88,352
Pension costs	31,108	32,321
Other costs and temporary staff	43,254	37,819
	<u>1,091,993</u>	<u>1,024,089</u>

	2012 £	2011 £
Charged to General Fund and Restricted Funds (note 4)	1,084,178	979,512
Charged to Development Project	7,815	44,577
	<u>1,091,993</u>	<u>1,024,089</u>

The average number of full time employees in the year was 35 (2011:34).
One employee received remuneration in the band of £60,000 to £69,999 in the year (2011:One).
Remuneration £69,204 (2011 £63,842), pension £5,986 (2011 £5,481).

Trustees are not remunerated (2011: £nil). No reimbursement of travel and subsistence were made to Trustees (2011: £Nil).

8 Other costs

	2012 £	2011 £
Audit services		
- Current year Foundation	6,535	5,765
- Current Year BI Trading Ltd	3,100	3,100
- Prior year (overprovision)	(200)	(2,265)
	<u>9,435</u>	<u>6,600</u>
Pension plan costs	-	2,890
Other services	<u>550</u>	<u>770</u>

The Bishopsgate Foundation
Notes to the financial statements
For the year ended 31 March 2012

9 Fixed assets

Group and charity

	Freehold Land and Building	Development Fund Freehold Improvement	Development Project	Furniture and Equipment	Total
Cost or Valuation	£	£	£	£	£
At 1st April 2011	2,000,000	89,829	5,260,973	214,653	7,565,455
Additions	-	35,351	1,317,799	78,031	1,431,181
Transfers		6,222,960	(6,578,772)	355,812	-
At 31 st March 2012	<u>2,000,000</u>	<u>6,348,140</u>	<u>-</u>	<u>648,496</u>	<u>8,996,636</u>
Accumulated depreciation					
At 1st April 2011	260,000	38,852	-	138,347	437,199
Charge for the Year	20,000	271,382	-	112,969	404,351
At 31 st March 2012	<u>280,000</u>	<u>310,234</u>	<u>-</u>	<u>251,316</u>	<u>841,550</u>
Net Book Value					
At 31 st March 2012	<u>1,720,000</u>	<u>6,037,906</u>	<u>-</u>	<u>397,180</u>	<u>8,155,086</u>
At 1 April 2011	1,740,000	50,977	5,260,973	76,306	7,128,256

All assets are held for charitable purposes. The value of freehold land included above is £1,000,000.

10 Investment assets

	Group		Charity	
	2012 £	2011 £	2012 £	2011 £
Investment Assets				
Investment Properties	11,225,000	8,774,325	11,225,000	8,774,325
Investments	3,197,200	4,551,695	3,197,200	4,551,695
Investment In subsidiary	-	-	1	1
	<u>14,422,200</u>	<u>13,326,020</u>	<u>14,422,201</u>	<u>13,326,021</u>

The Bishopsgate Foundation
Notes to the financial statements
For the year ended 31 March 2012

10 Investment Assets (continued)

Investment properties

	Endowment £
At 1 April 2011	8,774,325
Unrealised gain on revaluation	<u>2,450,675</u>
31 st March 2012	<u>11,225,000</u>

The investment properties comprise the Underwood and General Estates. These properties were valued as at 31 March 2012 by Lamberts, Chartered Surveyors, who are unconnected with the Foundation, at market value.

During the year lease extensions were granted on an apartment within 8/10 Nile Street resulting in premiums amounting to £122,823. There has been a further gain of £16,070 which relates to a rights of light award for properties in Artillery lane. These gains have been shown together as a realised gain of on investment properties on the SOFA of £138,893.

The Trustees will continue to review market conditions on a regular basis and will make such adjustments as are necessary in the accounts.

Investments

	General estate £	Underwood estate £	Total 2012 £	Total 2011 £
Market value at 1 April 2011	3,125,194	1,426,501	4,551,695	4,398,216
Sale of units	(926,910)	(423,090)	(1,350,000)	-
Realised gain on sale of units	15,240	6,956	22,196	-
Change in market value in the year	(18,327)	(8,364)	(26,691)	153,479
Total market value at 31 March 2012	<u>2,195,197</u>	<u>1,002,003</u>	<u>3,197,200</u>	<u>4,551,695</u>

	General estate £	Underwood estate £	Total 2012 £
Cost at 1 April 2011	2,889,419	1,318,732	4,208,151
Cost at 31 March 2012	<u>2,009,459</u>	<u>917,222</u>	<u>2,926,680</u>

All investments are held in Exempt Unit Trusts, comprising a wide portfolio of investment assets.

Endowment cash

The Foundation has endowment cash of £nil (2011: £nil).

Investment in subsidiary

Charity only

The Foundation owns the entire share capital of B.I. (Trading) Limited which was incorporated on 17th February 2006.

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11 Debtors

	Group 2012 £	Charity 2012 £	Group 2011 £	Charity 2011 £
Trade debtors	164,274	36,836	24,456	4,073
Investment property rent debtors	69,240	69,240	82,383	82,383
Taxation – recoverable VAT	-	-	101,815	101,815
Due from subsidiary	-	64,798	-	97,308
Other debtors and prepayments	243,890	243,890	582,663	582,663
	<u>477,404</u>	<u>414,764</u>	<u>791,317</u>	<u>868,242</u>

12 Creditors: amounts falling due within one year

	Group 2012 £	Charity 2012 £	Group 2011 £	Charity 2011 £
Payments received on account	50,318	50,318	49,349	49,349
Taxation and social security	25,458	25,458	25,173	25,173
Sundry creditors and accruals	239,654	162,712	556,184	526,816
	<u>315,430</u>	<u>238,488</u>	<u>630,706</u>	<u>601,338</u>

**13 Permanent Endowment funds
Group and charity**

	Order for Development Project	Balance of Endowment Funds	Total Endowment Funds	Total Endowment Funds
	2012 £	2012 £	2012 £	2011 £
General				
Balance brought forward	189,600	13,848,620	14,038,220	15,543,922
Fixed asset additions in year	(189,600)	-	(189,600)	(1,688,915)
Repayment under Order	73,842	-	73,842	-
Depreciation charge for the year	-	(20,000)	(20,000)	(20,000)
Investment management costs	-	(230,326)	(230,326)	(120,595)
Realised gain on investment properties	-	138,893	138,893	170,329
Revaluation of investment properties	-	2,450,675	2,450,675	-
Realised profit on investments	-	22,196	22,196	-
Unrealised (loss) profit on investments	-	(26,691)	(26,691)	153,479
	<u>73,842</u>	<u>16,183,367</u>	<u>16,257,209</u>	<u>14,038,220</u>

The permanent endowment is represented by the Institute, the investment properties and financial investments, the income from which is available for general purposes, except for that income specified in the Scheme which is required to be paid to St Botolph Without Bishopsgate. The Foundation is not at liberty to dispose of the capital of this endowment.

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The Foundation has a facility of under a Charity Commission order to borrow £4,346,124 from its Permanent Endowment for the purposes of building refurbishment and improvement of facilities at the Institute. At 31 March 2012 a total of £4,346,124 has been drawn down. The Institute is due to repay £1,846,124 to the Endowment Fund starting in 2012 over twenty five years and the first payment of £73,842 was made in the year.

14 Restricted funds

	At 1 April 2011	Incoming resources	Resources expended	Transfers	At 31 Mar 2012
	£	£	£	£	£
Heritage Lottery Fund	-	333,496	(97,527)	(235,969)	-
Donations	-	2,800	-	(2,800)	-
Adventurers Club	2,100	1,490	(2,702)	-	888
My East End	(3,320)	3,823	(40)	-	463
Other funds	77	-	-	-	77
	<u>(1,143)</u>	<u>341,609</u>	<u>(100,269)</u>	<u>(238,769)</u>	<u>1,428</u>

Heritage Lottery Fund income and donations for the development project totalling £333,495 have been fully expended during the year. Of this £235,969 which related to capital expenditure has been transferred to the designated development fund.

15 Unrestricted funds

Group and charity

	2012 £	2011 £
Revenue fund		
Balance brought forward	1,671,905	2,071,702
Transfer	(1,192,057)	-
Net movement in funds in the year	<u>(217,270)</u>	<u>(399,797)</u>
Balance carried forward	<u>262,578</u>	<u>1,671,905</u>
Designated		
Development fund		
Balance brought forward	5,311,951	3,556,070
Transfer	1,546,584	2,396,936
Net movement in Funds for the Year	(536,758)	(76,851)
Disposal of assets (see note 9)	-	(564,204)
Balance carried forward	<u>6,321,777</u>	<u>5,311,951</u>
Total unrestricted funds	<u>6,584,355</u>	<u>6,983,856</u>

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16 Pension costs

The Foundation operates a group personal pension plan which is a defined contribution pension scheme for its employees.

The assets of the scheme are held separately from those of the charity in independently administered funds. The accounting policy of the Foundation is to charge employer's contributions to the Statement of Financial Activities as they fall due; the pension cost for the year amounted to £31,108 (2011: £32,321).

17 Analysis of net assets between funds

Group

	Restricted £	Endowment £	Designated Development fund £	Revenue £	Total £
Tangible fixed assets	-	1,720,000	6,321,777	113,309	8,155,086
Investment properties	-	11,225,000	-	-	11,225,000
Investments	-	3,197,200	-	-	3,197,200
Cash at bank	1,428	-	-	102,304	103,732
Other net assets	-	115,009	-	46,965	161,974
	<u>1,428</u>	<u>16,257,209</u>	<u>6,321,777</u>	<u>262,578</u>	<u>22,842,992</u>

18 Related party transactions

Under the terms of its charitable deed, the Foundation is required to pay two fifteenths of its income (after deduction of costs) from the Underwood Estate to St Botolph Without Bishopsgate. The Reverend Dr. Alan McCormack is a Trustee of the Foundation and is Rector of St Botolph Without Bishopsgate.

