

TYNE & WEAR FOUNDATION
(A company limited by guarantee)

DIRECTORS' REPORT AND ACCOUNTS

31 MARCH 1998

COMPANY NUMBER 2273708



TYNE & WEAR FOUNDATION
(A company limited by guarantee)

ANNUAL REPORT 1998

INTRODUCTION

The following information about the financial year 1997/98 is presented in the form required by the Charity Commission. A fuller account of the year is given in the Annual Review which is a separate document available from the Foundation's office.

The Charity's full name is Tyne & Wear Foundation. The Foundation includes a number of specific funds, listed below, which may be publicised in their own name. They include the Northumberland Fund, The Readman Foundation, Tiny Lives and the Evening Chronicle Sunshine Fund.

GOVERNING DOCUMENT

The Foundation is a company limited by guarantee No 2273708 and is governed by its articles and memorandum. It is a registered charity No 700510.

DIRECTORS

The Foundation has powers to appoint a President, Patron and Vice President who are listed in the Annual Review.

The managing body is the Board of Directors who are the Trustees of the charity. Directors who have served during the year are listed below. Membership of sub committees is indicated by the following abbreviations:

Finance and General Purposes Committee	(F&GP)
Grants Committee	(Grants)
Development Committee	(Dev)
Northumberland Committee	(Nland)

Directors are elected or appointed by members of the Foundation, in four different membership categories, at the Annual General Meeting. The membership categories are:

- Category A - voluntary organisations
- Category B - individuals
- Category C - statutory authorities
- Category D - companies / businesses

Further directors may be co-opted by decision of the Board.

Margaret Barbour elected 1997 by category D members	(Dev)	(appointed 9th October 1997)
Alma Caldwell, vice chair elected 1993 by category A members	(F & GP, Grants)	(appointed vice chair 9th October 1997)
Sir Tom Cowie OBE co-opted 1991	(Dev)	
Barbara Dennis co-opted 1996	(Grants)	

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ANNUAL REPORT 1998 (continued)
DIRECTORS (continued)

Clare Dodgson appointed 1997 by category C members to represent health authorities	(appointed 9th October 1997) (Grants)
Hilary Florek elected 1994 by category D members	(retired 9th October 1997) (Dev)
Dr David Francis co-opted 1991	(Grants, Nland)
John Hamilton co-opted 1994	(Dev)
Richard Harbottle, elected 1988 by category B members	(retired 9th October 1997) (F&GP, Dev & Nland)
Joy Higginson elected by category A members	(Grants)
Carole Howells, elected 1988 by category A members	(retired 9th October 1997) (F&GP, Grants)
Brian Latham appointed 1993 by category C members to represent local authorities	(Grants)
Councillor Sylvia Murray CBE DL appointed 1988 by category C members to represent health authorities	(retired 9th October 1997) (Grants)
Pauline Nelson elected 1989 by category A members	(F&GP, Grants)
His Grace the Duke of Northumberland co-opted 1994	(Nland)
Brian Roycroft CBE elected 1994 by category B members	(F&GP, Grants)
Guy Readman OBE co-opted 1996 elected 1997 by category B members	(appointed 9th October 1997) (F&GP, Dev)
Alan Share co-opted 1994	(Dev)
Derek Smail OBE TD DL co-opted 1995	(Nland)

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ANNUAL REPORT 1998 (continued)

DIRECTORS (continued)

Nigel Smith elected 1997 by category D members	(appointed 9th October 1997) (F&GP, Dev)
John Squires (Chair) elected 1991 by category D members	(F&GP, Dev)
Derek Tait Walker, appointed Treasurer 16 July 1998 Co-opted 1997	(appointed 4th December 1997) (F&GP, Dev)
Alan Wardropper, Treasurer, retired 16 July 1998 elected 1989 by category B members	(F&GP, Dev, Grants)
Anthony Winder elected 1994 by category D members	(retired July 1997) (Dev)
Michael Worthington appointed 1996 by category C members	

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ANNUAL REPORT 1998 (continued)

RETIREMENT OF DIRECTORS

Members of the Board are elected for three years and may stand for re-election up to a maximum of three consecutive terms. Co-opted members serve until the next Annual General Meeting.

At the Annual General Meeting held on Thursday 9 October 1997, Richard Harbottle, Carole Howells and Councillor Sylvia Murray retired on completion of the maximum nine years consecutive service. John Squires was elected by the Board to succeed Richard Harbottle as Chair and Alma Caldwell to succeed Carole Howells as Vice Chair.

At the Annual General Meeting to be held on 30 September 1998 Alan Wardropper and Pauline Nelson retire on completion of the maximum of nine years consecutive service. John Squires is eligible for re-election.

OFFICE

The Foundation's registered office is Cale Cross House, 156 Pilgrim Street, Newcastle upon Tyne, NE1 6SU.

ADVISORS

Auditors:

Price Waterhouse
89 Sandyford Road
Newcastle upon Tyne
NE99 1PL

Bankers:

Barclays Bank plc
Newcastle Corporate Services
Barclays House
71 Grey Street
Newcastle upon Tyne
NE99 1LG

Investment Managers:

Barclays Private Bank Ltd
43 Brook Street
London
W1Y 2PB

Solicitors:

Stanton Croft
1 & 2 Lansdowne Terrace East
Gosforth
Newcastle upon Tyne
NE3 1HL

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ANNUAL REPORT 1998 (continued)

AIMS AND ACTIVITIES

The Foundation supports and promotes charitable purposes in the area of Tyne and Wear and, since 1993, in Northumberland as well. It receives donations and manages funds for individuals, companies and trusts who want to support the local community and, with these funds, makes grants to a wide range of charitable groups.

The policies agreed to meet these aims are reviewed annually by the Board. During the past year, the first year of a new development plan was successfully implemented which led to new gifts and donations totalling over £ 1 million.

New grants were awarded during the year totalling £ 705,454, as listed in notes 2 and 12 of the accounts. Further details about grants are given in the Annual Review. The Foundation continued to work with Henry Smith's Charity, a national grant making trust, to advise on grants in North East England.

DEVELOPMENTS

Significant developments during the year included:

- the establishment of the Kellett Fund to benefit older people following the transfer of the estate of Douglas Kellett.
- the transfer of the assets of the Chapman Foundation to set up the Chapman Fund, which will support youth projects in Tyne and Wear.
- an agreement with Proctor & Gamble to administer an enlarged grants fund to benefit the local community.
- Management of an initiative to award a strategic grant to help disaffected young people in South East Northumberland on behalf of a consortium of funders.

ORGANISATION

The Annual General Meeting was held on 9 October 1997 when members received the report and accounts for the financial year 1996/97 and heard an address from Professor Eric Midwinter on "The Third Age".

There are three meetings of the full Board each year, which receives reports from the sub committees which meet more frequently. The Executive Director is responsible for implementing Board policies, and is supported by executive staff members, responsible for grant making and development. There are four support staff.

The foundation administers the Sponsors Club, which promotes business involvement in the arts. The Club is advised by a consultant based at the Foundation.

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ANNUAL REPORT 1998 (continued)

ORGANISATION (continued)

Following the award of a grant of £ 1/2 million from the Millennium Commission, two additional staff were recruited to administer an awards scheme in partnership with County Durham Foundation and they took up their posts in October 1997, to launch Tyne and Wear Foundation and County Durham Foundation Millennium Awards Scheme.

Members of the Board act in a voluntary capacity and do not receive any remuneration. The officers have considerable day to day involvement in the Foundation's affairs.

The Foundation gratefully acknowledges support received during the year from members who hosted events or provided help in kind including:-

A.A. Insurance, BT, Sir Tom and Lady Cowie, Dalgety Spillers, Film Nova, KPMG, Lindisfarne, Mercantile Building Society, Merz and McLellan, Metro FM, N.E. Coop, North East Brewers and Licensed Retailers Association, North East On-Line, Duke and Duchess of Northumberland, Northumbrian Water Group, Price Waterhouse, Proctor and Gamble, Royal Mail, Kathy Secker, Silverscreen, John and Lynn Squires, Tyne Tees Television and Ward Hadaway.

INVESTMENT

The memorandum provides power of investment and the Foundation's assets are invested by the investment managers to provide an annual income for grant making.

FINANCIAL POSITION

The format of the annual account and accounting policies meet the requirement of the Charities SORP. Quoted investments are included in the accounts at market value rather than at cost. Unquoted investments are included at a valuation based upon a discounted adjusted net assets figure.

The Endowment Fund at 31 March 1998 stood at £ 15,732,178 an increase over the year of £ 9,040,034, made up of new donations of £ 5,948,172 and investment gains of £ 3,028,996. This included £ 5,058,811 from the estate of Douglas Kellett and £ 526,645 from the former Chapman Foundation. Amounts pledged to the endowment fund but not yet received totalled £ 1,350,000.

The foundation is also the trustee of the Joseph Brough Charitable Trust which has assets at market value of £ 1.15 million at the year end. Including the Brough Trust, the total assets received or pledged to the endowment fund totalled £ 18.2 million.

The Statement of Financial Activities shows the movement in the year on the Foundation's Unrestricted and Restricted Funds. The year end balances on the Restricted Funds are available in their entirety for future grant making and other direct charitable expenditure. Of the Unrestrictive Funds balances at 31 March 1998 of £ 247,668 the directors regard £ 133,195 (1997 £ 89,320) as a general reserve available to meet future administration and development expenditure and therefore consider that the Foundation has adequate financial resources to secure its ongoing business.

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ANNUAL REPORT 1998 (continued)

OTHER CHARITIES

The Foundation is sole trustee of Joseph Brough Charitable Trust which makes grants in the historic counties of Northumberland and Durham. It also administers the Robson Charity which was wound up during the year. Both these trusts are administered separately from the Foundation.

It works closely with neighbouring community foundations serving Durham and Cleveland and is a member of the Association of Community Foundation of Trusts (ACTAF) and the Association of Charitable Foundations (ACF).

TANGIBLE FIXED ASSETS

The movement in tangible fixed assets is shown in note 6 to the accounts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 and the law applicable to charities in England and Wales, to prepare financial statements for each financial year which give a true and fair view of the Foundations's financial activities during the year and of its financial position at the end of the year.

The Directors consider that in preparing the financial statements on pages 9 to 17, the Foundation has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility to prepare financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The Directors have responsibility for ensuring that the Foundation keeps accounting records which disclose with reasonable accuracy the financial position of the Foundation and which enable them to ascertain the financial position of the Foundation and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Foundation and to prevent and detect fraud and other irregularities.

AUDITORS

Our auditors, Price Waterhouse, have merged with Coopers and Lybrand on 1 July 1998 and a resolution to appoint the new firm, PricewaterhouseCoopers, as auditors to the company will be proposed at the Annual General Meeting.

By Order of the Board



George Hepburn
Company Secretary

16 July 1998

Price Waterhouse



**AUDITORS' REPORT TO THE MEMBERS OF
TYNE & WEAR FOUNDATION
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We have audited the financial statements on pages 9 to 17 which have been prepared under the historical cost convention as modified by the revaluation of quoted and other investments and the accounting policies set out on page 12.

Respective responsibilities of directors and auditors

As described on page 7 the Company's directors (who also act as trustees for the charitable activities of Tyne & Wear Foundation) are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 1998 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors
16 July 1998

TYNE & WEAR FOUNDATION
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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 1998

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Endowment</u> <u>Funds</u> £	<u>1998</u> <u>Total</u> £	<u>1997</u> <u>Total</u> £
INCOMING RESOURCES					
Donations	203,958	624,266	5,948,172	6,776,396	1,067,649
Investment income	191,068	340,538	-	531,606	260,085
Grants from public bodies	5,000	-	-	5,000	16,632
Interest receivable	82,494	33,454	-	115,948	58,682
Other income	7,138	-	-	7,138	13,697
TOTAL	489,658	998,258	5,948,172	7,436,088	1,416,745
RESOURCES EXPENDED					
Direct charitable expenditure:					
Grants (Note 2)	269,436	426,118	-	695,554	381,899
Sponsors' club activities	-	54,984	-	54,984	45,691
Other expenditure:					
Grants administration	43,765	59,973	-	103,738	79,446
Development costs	113,670	-	-	113,670	83,947
General administration	17,131	23,408	-	40,539	51,496
TOTAL	444,002	564,483	-	1,008,485	642,479
NET INCOMING RESOURCES BEFORE TRANSFERS	45,656	433,775	5,948,172	6,427,603	774,266
Transfers between funds	(3,157)	(59,709)	62,866	-	-
NET INCOMING RESOURCES	42,499	374,066	6,011,038	6,427,603	774,266
Gains on endowment fund assets:					
Realised	-	-	403,700	403,700	220,139
Unrealised	-	-	2,625,296	2,625,296	505,442
NET MOVEMENT IN FUNDS	42,499	374,066	9,040,034	9,456,599	1,499,847
Fund balances brought forward at 1 April 1997	205,169	416,032	6,692,144	7,313,345	5,813,498
FUND BALANCES CARRIED FORWARD AT 31 MARCH 1998	£247,668	£790,098	£15,732,178	£16,769,944	£7,313,345

All gains or losses which were incurred in the year are included above.

TYNE & WEAR FOUNDATION
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INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1998

	<u>1998</u>	<u>1997</u>
INCOME		
Donations	828,224	643,584
Investment income	531,606	260,085
Grants from Public Bodies	5,000	16,632
Interest receivable	115,948	58,682
Other income	7,138	13,697
	1,487,916	992,680
EXPENDITURE		
Grants (Note 2)	695,554	381,899
Staff costs (Note 3)	161,631	124,773
Other expenses (Note 4)	151,300	135,807
	1,008,485	642,479
NET INCOME FOR THE YEAR BEFORE TRANSFERS	479,431	350,201
Transfer to Endowment Fund	(62,866)	(57,098)
NET INCOME FOR THE YEAR	£ 416,565	£ 293,103

The total income of £ 1,487,916 comprises £ 489,658 for unrestricted funds and £ 998,258 for restricted funds as shown in the Statement of Financial Activities. The total of expenditure of £ 1,008,485 comprises £ 444,002 for unrestricted funds and £ 564,483 for restricted funds as shown in the Statement of Financial Activities.

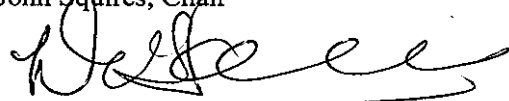
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BALANCE SHEET
AS AT 31ST MARCH 1998

	Note	£	<u>1998</u> £	£	<u>1997</u> £
FIXED ASSETS					
Endowment Fund Investments	5		15,732,178		6,692,144
Office Equipment	6		22,584		22,931
CURRENT ASSETS					
Debtors	7	92,125		59,182	
Cash at Bank and Building Society		2,292,697		1,476,744	
			<u>2,384,822</u>	<u>1,535,926</u>	
CREDITORS : Amounts falling due within one year	8		<u>(1,369,640)</u>	<u>(937,656)</u>	
NET CURRENT ASSETS			1,015,182		598,270
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>£ 16,769,944</u>		<u>£ 7,313,345</u>
CAPITAL FUNDS					
Endowment Fund	10		15,732,178		6,692,144
INCOME FUNDS					
	11				
Unrestricted			247,668		205,169
Restricted			790,098		416,032
TOTAL FUNDS			<u>£ 16,769,944</u>		<u>£ 7,313,345</u>

The financial statements on pages 9 to 17 were approved by the Board on 16th July 1998 and are signed on their behalf by:


John Squires, Chair


Derek Tait Walker, Treasurer

TYNE & WEAR FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998

1 ACCOUNTING POLICIES

(a) Accounting Convention

The accounts have been prepared under the historical cost convention as modified by the revaluation of quoted and unquoted investments, and in accordance with applicable accounting standards, including the revised charities SORP.

(b) Quoted and Unquoted Investments

- (i) Quoted investments are stated at market value as at 31 March 1998.
- (ii) Unquoted investments and freehold property are stated at directors' estimate of market value.

(c) Grant Commitments

Grants commitments are dealt with on an accruals basis.

(d) Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives at the following rates:-

Furniture and Equipment - 20% and 25% per annum

(e) Other Expenditure

Staff and other overhead costs have been allocated to the headings under other expenditure on the basis of time spent by staff on these activities.

(f) Pensions

The Foundation makes contributions on behalf of certain staff to a number of independently controlled pension schemes. Contributions are charges over the period to which they relate.

(g) Cashflow Statement

The directors have taken advantage of the provisions of Financial Reporting Statement One ("FRS 1") which exempts small companies from the need to present a cash flow statement.

TYNE & WEAR FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998 (continued)

2 GRANTS

	1998	1997
	£	£
Grants approved for payment	705,454	385,349
Grants cancelled	(9,900)	(3,450)
	£ <u>695,554</u>	£ <u>381,899</u>

A list of grants made in the year is shown in Note 12.

3 STAFF COSTS

Staff costs comprise the following:

	1998	1997
	£	£
Salaries	232,943	186,349
Social security costs	20,646	18,694
Other pension costs	9,127	8,093
	262,716	213,136
Less: Deducted from other income	(101,085)	(88,363)
	£ <u>161,631</u>	£ <u>124,773</u>

During the year the Foundation engaged four people to carry out specific consultancy assignments. Their remuneration, which is included in the above analysis, aggregated £ 101,085 (1997 - £88,363) and has been deducted from other income in the income and expenditure account. Including these four people the average number of people, excluding directors, employed by the company during the year was 12 (1997 : 10). No employee received more than £40,000 in the year. The directors did not receive any remuneration during the year (1997 £ Nil).

4 OTHER COSTS

	1998	1997
	£	£
Other costs include:		
Auditors' remuneration	800	800
Depreciation	10,149	7,715

The auditors did not receive any other remuneration during the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998 (continued)

5 ENDOWMENT FUND INVESTMENTS

	<u>Unquoted Investments</u>	<u>Quoted Investments</u>	<u>Deposit and Other Cash Balances</u>	<u>Freehold Property</u>	<u>Total</u>
At valuation	£	£	£	£	£
At 31 March 1997	-	6,291,781	381,363	19,000	6,692,144
Additions in the year	300,000	7,915,081	1,120,112	1	9,335,194
Sales in the year	-	(2,920,456)	-	-	(2,920,456)
Unrealised gain arising in the year	-	2,625,296	-	-	2,625,296
At 31 March 1998	<u>£300,000</u>	<u>£13,911,702</u>	<u>£1,501,475</u>	<u>£19,001</u>	<u>£15,732,178</u>
At cost					
At 31 March 1998	<u>£300,000</u>	<u>£9,399,616</u>	<u>£1,501,475</u>	<u>£19,001</u>	<u>£11,220,092</u>
At 31 March 1997	<u>£ -</u>	<u>£4,931,635</u>	<u>£381,363</u>	<u>£19,000</u>	<u>£5,331,998</u>

The quoted investments are all listed on the London Stock Exchange or held through authorised unit trusts.

The unquoted investment comprises 31,395 ordinary shares in Washington Holdings Limited, a company incorporated in England.

6 OFFICE EQUIPMENT

	<u>Furniture and Equipment</u>
Cost	£
At 31 March 1997	49,008
Additions	9,802
At 31 March 1998	<u>58,810</u>
Depreciation	
At 31 March 1997	26,077
Charge for the year	10,149
At 31 March 1998	<u>36,226</u>
Net Book Value	
At 31 March 1998	<u>£22,584</u>
At 31 March 1997	<u>£22,931</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998 (continued)

7 DEBTORS

	1998	1997
	£	£
Donations	15,000	27,493
Sundry debtors	3,067	6,672
Dividends and interest receivable	74,058	25,017
	<u>£92,125</u>	<u>£59,182</u>

8 CREDITORS (Amounts due within one year)

	1998	1997
	£	£
The Henry Smith's Charity grants programme	843,349	641,000
Sundry creditors and accruals	94,802	72,407
Grants payable	431,489	224,249
	<u>£1,369,640</u>	<u>£937,656</u>

The foundation manages a grants programme on behalf of Henry Smith's Charity. During the year grants of £ 538,165 were paid and £ 843,349 was outstanding at the year end.

9 TAXATION

The company by being a registered charity is not liable to UK Income Tax, Corporation Tax, and Capital Gains Tax as long as the income it receives is applied for charitable purposes. There is therefore no tax charges in the accounts.

10 ENDOWMENT FUND

As the Foundation is a limited company the endowment fund cannot for technical reasons have the legal status of "permanent endowment", but it is the policy of the Directors to treat it in all respects as though it were a permanent endowment. The endowment fund is represented by the endowment fund investments.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998 (continued)

11 INCOME FUNDS

Tyne & Wear Foundation receives income and donations both for general charitable purposes and also for more specific areas and issues. All grants are approved by the Board and recommendations from people and companies who have set up funds within the Foundation for grants from their funds are always welcomed and usually followed.

Funds are deemed to be restricted either if they have been donated for a specific purpose or appeal or if the donor has made a request that they are applied in one area or field.

The movement in the year on the restricted funds is tabulated below:

	<u>At 1 April</u>			<u>Other</u>	<u>At 31 March</u>
	<u>1997</u>	<u>Income</u>	<u>Grants</u>	<u>Outgoings</u>	<u>1998</u>
	£	£	£	£	£
Alcan Fund	3,295	5,000	2,798	250	5,247
Amec Fund	1,877	4,454	-	-	6,331
Barbour Fund	1,915	2,590	1,500	518	2,487
Beecham Fund	1,579	1,999	-	240	3,338
Bellingham Fund	2,713	2,600	3,350	470	1,493
Chapman Fund	-	14,041	-	-	14,041
Courtaulds Fund	(37)	-	-	-	(37)
Cowie Fund	17,997	41,790	27,800	7,060	24,927
Davidson Fund	3,122	2,564	4,500	513	673
Durham Fund	4,270	1,832	-	92	6,010
Enact Fund	150	-	-	150	0
Ferguson Fund	-	169	-	34	135
Lady Grey Memorial Fund	-	382	250	27	105
Grounds Fund	1,358	3,117	-	-	4,475
Jackie Haq Fund	3,374	1,872	1,200	375	3,671
Kellet Fund	-	238,468	100,049	51,822	86,597
Homeless Young People Fund	(1,423)	10,108	8,000	685	0
North Tyneside Fund	1,707	1,379	2,616	-	470
Northumberland Fund	1,413	-	1,413	-	0
Northumberland High Sheriff	486	8,301	7,100	475	1,212
Northumberland TEC Fund	478	10,080	500	224	9,834
Percy Fund	355	1,522	-	304	1,573
Readman Foundation	258,989	441,794	165,320	8,654	526,809
Roycroft Fund	1,253	6,173	3,875	1,049	2,502
Save & Prosper Fund	344	1,931	1,000	386	889
Share Fund	-	125	155	25	(55)
Jim Smail Tree Fund	-	391	-	78	313
Smail Fund	689	1,794	1,591	359	533
South Tyneside Fund	3,993	1,996	250	-	5,739
Sponsors Club	48,736	92,994	44,650	54,984	42,096
Sunshine Fund	30,317	17,055	25,956	-	21,416
Tiny Lives	27,571	63,350	11,845	64,642	14,434
Tyne & Wear High Sheriff	(860)	10,136	6,000	2,798	478
Visage Fund	-	2,000	2,050	-	(50)
Young Musicians Fund	371	6,251	2,350	1,860	2,412
	<u>£416,032</u>	<u>£998,258</u>	<u>£426,118</u>	<u>£198,074</u>	<u>£790,098</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1998 (continued)

11 INCOME FUNDS (continued)

Other outgoings include charges for grant making and general administration. Tiny Lives includes transfers to the Endowment Fund of £ 59,709. Sponsors Club includes direct charitable expenditure of £ 54,984.

Since the year end the funds in deficit at 31 March 1998 have all received sufficient income to put them into credit.

A number of funds contribute to the Foundation's general restricted fund, including Benfield Motors Charitable Trust, J Barbour and Sons Limited, Ian and Jan Gregg, Greggs plc, Hadrian Trust, Sir James Knott Trust, R W Mann Trustees, Northern Rock plc, Tyne Tees Television, Tolent, and two anonymous funds.

As well as general unrestricted funds the Foundation holds the following specific funds which the Directors regard as unrestricted because they are used for general charitable purposes in the Foundation's area of benefit although grants may still be made on recommendations from the donor.

	<u>At 1 April</u>			<u>Other</u>	<u>At 31 March</u>
	<u>1997</u>	<u>Income</u>	<u>Grants</u>	<u>Outgoings</u>	<u>1998</u>
	£	£	£	£	£
Anonymous Fund	534	2,077	1,900	-	711
Bellway Fund	1,171	1,646	750	329	1,738
Bonas	693	1,067	600	213	947
Bank of England	500	1,000	500	-	1,000
Carr-Ellison Fund	343	1,713	1,670	-	386
Freeman Hospital	2,719	-	-	-	2,719
Leech Fund	(1,288)	17,199	6,900	-	9,011
Merz & McLellan Fund	10,312	-	7,312	-	3,000
Millburn Fund	2,000	2,000	2,000	-	2,000
NEBLRA Fund	6,351	4,692		10,704	339
Newcastle Breweries Fund	8,730	3,404	9,000	681	2,453
Newcastle Building Society Fund	1,483	2,300	2,650	459	674
Northern Electric Fund	(236)	9,907	1,000	1,982	6,689
Northumbrian Water Fund	2,720	3,903	2,700	780	3,143
Procter & Gamble Fund	1,016	1,909	500	382	2,043
Ringtons Fund	1,600	6,818	5,095	1,364	1,959
Robson Brown Fund	5,841	3,102	5,000	1,691	2,252
Rolls Royce Fund	3,928	1,270	500	-	4,698
Rowntree Fund	2	10,274	5,000	2,055	3,221
J&T Smith Fund	130	1,885	1,300	117	598
Universal Building Society		68		10	58
Vaux Fund	8,642	6,848	8,000	1,369	6,121
Watkin Family Fund	8,663	7,884	12,000	3,282	1,265

Other outgoings include charges for grant making and general administration. Watkin Family Fund includes a transfer to the Endowment Fund of £ 3,157.

Note 12 - Grants awarded 1 April 1997 - 31 March 1998

This list shows all grants of £1,000 and over and the three largest grants awarded by each fund

Alcan Smelting & Power Fund - 12 grants	2,798
Alexandra County First School	593
Mid Northumberland Arts Group	500
Bedlingtonshire Community High School	350
Bank of England Fund - 2 grants	500
SENAC	250
Newcastle Children's Adventure Group	250
Barbour Fund - 1 grant	1,500
Castle Morpeth CAB	1,500
Bellingham Fund - 7 grants	3,350
Bellingham Community Trust	1,000
Bellingham Heritage Centre	500
Bellingham Riverside Walk	500
Bellway Fund - 1 grant	750
Fairbridge in Tyne & Wear	750
Bonas Fund - 1 grant	600
Percy Hedley Centre	600
Carr-Ellison Charitable Fund - 23 grants	1,670
Tyneside Housing Aid Centre	150
Society of St Francis	100
SSAFA	100
Sir Tom Cowie Fund - 16 grants	27,800
Sunderland Women's Centre	4,000
Felstead School	3,500
Barbara Priestman School	3,500
Sunderland MIND	3,000
Sunderland Detached Youth Project	3,000
Southwick Neighbourhood Youth Project*	2,500
Thorney Close Action & Enterprise Centre	2,500
Pennywell Youth Project	2,000
Radio Sunderland for Hospitals	1,000
Duncan & Sarah Davidson Fund - 2 grants	4,500
Glendale Gateway Trust	3,000
Glendale Gateway Youth Project	1,500
Derwent Consultancy - 1 grant	10,000
West Harton Churches Together	10,000

General Grants - 21 grants	105,425
Rights Project**	10,000
LINKS**	8,000
St James' & St Bede's Family Centre Project*	8,000
Blyth Valley Citizens Advice Bureau*	7,500
Community Council of Northumberland**	6,125
South Tyneside Chapter of Credit Unions**	6,000
Northumberland Scout Association**	5,500
Axwell Park Foundation*	5,000
Holy Island Village Development Trust*	5,000
Newcastle VIP Benefits Project	5,000
North Tyneside Coastal CAB*	5,000
South Tyneside CAB**	5,000
Sponsors Club	5,000
Tyne & Wear Racial Equality Council*	5,000
Castle Morpeth Disability Association**	4,300
Castle Morpeth Victim Support	4,000
Murray House Youth & Community Centre**	4,000
Funding Information North East	3,000
Gateshead Borough Churches Working Together**	1,500
Newcastle CVS	1,500
Newcastle Witness Support Service	1,000
Lady Grey Memorial Fund - 1 grant	250
Individual	250
Jackie Haq Fund for Scotswood - 5 grants	1,200
Scotswood Play Strategy	550
Denton Road Childrens Lunchtime Club	300
Scotswood Library Playgroup	150
Kellett Fund - 16 grants	100,049
Equal Arts*	15,000
North Shields Library Club for the Over Fifties*	12,000
Age Concern Metropolitan Gateshead*	10,000
Age Concern South Tyneside*	10,000
Newcastle Society for Blind People	9,814
Royal Air Forces Association	7,500
Tyneside Women's Health Project*	7,500
Women's Health in South Tyneside*	7,000
Age Concern Sunderland/Carers Centre	6,410
Alzheimer's Disease Society*	3,355
National Trust - Inner City Project*	2,920
Prudhoe Methodist Church	2,500
Queen's Hall Arts Centre	2,500
Roshni Asian Women's Association*	2,000
Usworth Bowling Club	1,000
Yasume Club of South Shields	550
Merz & McLellan Fund - 34 grants	7,312
Royal Victoria Infirmary	2,000
Engineering Education Scheme	1,000
Riverside Community Health Project	400

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Frederick Milburn Fund - 1 grant	2,000
Newcastle Witness Support Service	2,000
Newcastle Breweries Fund - 2 grants	9,000
Percy Hedley Centre	5,000
Murray House Community Centre	4,000
Newcastle Building Society Fund - 12 grants	2,650
Scotswood Credit Union	500
Care Fund	200
Dream Foundation	200
Northern Electric Fund - 1 grant	1,000
Young Musician's Fund	1,000
Northumberland High Sheriff's Fund - 19 grants	7,100
Hexham Youth Initiative	1,100
Collingwood School	500
Prudhoe East Youth Centre	500
Northumberland TEC - 1 grants	500
Samaritans, Ashington	500
Northumbrian Water Fund - 1 grant	2,700
Percy Hedley Centre	2,700
North Tyneside Fund - 6 grants	2,616
Princess Royal Trust for Carers	700
North Tyneside Motor Project	600
Very Independent People Sports for Disabled	500
Procter & Gamble Fund - 1 grant	500
Wallsend Sea Cadets	500
Guy Readman Fund - 17 grants	3,250
Chester-le-Street Sea Cadet Unit	250
Dunston Silver Band	250
Newcastle Jellicoe Sea Cadet Corps	250
Readman Foundation - 57 new grants	172,920
Endeavour Training Consortium*	15,000
Fairbridge in Tyne & Wear*	10,000
Hexham Youth Initiative*	9,500
Endeavour Training*	7,000
Town End Youth Project*	7,000
Alnwick Young People's Project	7,500
Mobex North East	6,100
Longbenton Detached Youth Project**	6,000
Southwick Neighbourhood Youth Project**	6,000
Balliol Youth Centre	5,000
Individual	5,000
Newbiggin Hall Detached Youth Project	5,000

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St Oswald's Hospice*	5,000
West End Youth & Community Centre**	5,000
YMCA Herrington Burn**	5,000
Streetwise	4,800
Birtley Young People's Club*	4,680
National Trust**	4,500
Disability North	4,000
Durham University Business School**	4,000
Seahouses Youth Project	3,000
Weston Spirit*	3,000
Young Enterprise	3,000
Westgate Community College	2,500
Jarrow Detached Youth Project	2,000
NEFDEAF	2,000
Route 26 Music Collective	2,000
Seahouses Hostel	2,000
Streets Ahead Detached Youth Project	2,000
Deckham Community Centre	1,500
Blyth Detached Youth Project	1,000
Embleton Computer Club	1,000
Individual	1,000
Individual	1,000
Prudhoe High School	1,000
Sunderland Catholic Youth Centre	1,000
Total Learning Challenge Project	1,000
Tyneside Foyer	1,000
Rington's Fund - 10 grants	5,095
West Walker Community Play Garden	1,000
Newcastle Disability Forum	795
Barley Mow & Birtley Housebound Club	750
Robson Brown Teddy Bear Fund - 1 grant	5,000
Tiny Lives	5,000
Rolls Royce Fund - 1 grant	500
Salvation Army	500
Brian Roycroft Fund - 16 grants	3,875
To young people who have been in local authority care	
Save & Prosper Fund for Education - 1 grant	1,000
Shieldfield & Battlefield Community Development Project	1,000
Alan & Ros Share Fund - 1 grant	155
Barbara Priestman School	155
Smail Family Fund - 2 grants	1,591
Northumbria Accident Service	912
Grove Special School	679

Small Grants Fund - 28 grants	13,985
Save the Children Fund	1,000
University of Newcastle Community Health Evaluation	820
Newcastle Victim Support	750
Johnny & Tricia Smith Fund - 1 grant	1,300
Seahouses Youth Project	1,300
South East Northumberland Initiative - 3 grants	77,000
Endeavour Training Consortium	77,000
South Tyneside Fund - 1 grant	250
Jarrow & Monkton Methodist Church	250
Sponsors Club - 34 grants	£44,650
100 Languages of Children Exhibition	2,500
Abbot Hall Art Gallery	2,500
Brotsky Quartet Concern	2,500
Centre for the Children's Book	2,500
Ever Ready Band	2,500
Gateshead Angel	2,500
Newcastle Initiative	2,500
Royal Shakespeare Theatre	2,500
South Tyneside Arts Studio	2,500
Whitley Bay Playhouse	2,500
Century Theatre Trust Ltd	2,000
Durham Literature Festival	2,000
Teesdale Sculptor Residency	2,000
African Arts Association	1,500
Lake District Art Gallery	1,500
Live Theatre Company	1,200
Newcastle Asian Arts	1,100
Castle Players Ltd	1,000
Headway Theatre	1,000
Hexham Abbey Festival	1,000
Hutton in the Forest	1,000
Lakeland Sinfonia	1,000
Tyneside Cinema	1,000
Sunshine Fund - 19 grants	25,956
To disadvantaged and disabled children	
Tiny Lives Fund - 22 grants	13,357
To support work of the Newcastle Neo Natal Department	
Tyne & Wear High Sheriff's Fund - 9 grants	6,000
Children's Express	2,000
Scotswood Area Strategy	500
West Harton Residents Association	500
VAUX Fund - 4 grants	8,000
Southwick Neighbourhood Youth Project	3,000
Sunderland Counselling Service	3,000

Deptford & Millfield Community Association	1,000
Sunderland Kidney Patients Group	1,000
Visage Fund - 8 grants	2,050
Bangladesh Youth Organisation	400
North Benwell Regeneration Partnership	300
Tyneside Foyer	300
Watkin Family Fund - 3 grants	12,000
Percy Hedley Centre	5,000
Sick Children's Trust	5,000
Marie Curie Cancer Care	2,000
William Leech Fund - 1 grant	6,900
Northern Initiative on Women & Eating	6,900
Young Musician's Fund - 12 grants	2,350
Comhaltas	500
Goathland Primary School	252
Backworth Colliery Band	250
Miscellaneous - 11 grants	2,500
British Red Cross Northumbria Branch	500
East Enders Health & Activity Club	500
Alzheimer's Disease Society	250
455 grants totalling	705,454

* First year amount of multi-year award

** Second or third year amount of multi year award