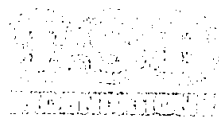


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THE FOUNDATION
FOR
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TSB FOUNDATION FOR ENGLAND AND WALES
REPORT AND ACCOUNTS

Year ended 31 October 1990

Chairman	His Grace the Duke of Westminster DL	
Deputy Chairman	The Lord Chapple	
Trustees	D.A. Hinton J.P.R. Holt JP K.A. Millichap E. Rea OBE DL J.R.T. Douglas OBE Lord Edward FitzRoy DL Lady Mary Holborow JP K.H. Allen Lady Prior P. Charlton OBE	- Tyne Tees - Yorkshire - North West - Wales - West Midlands - Eastern - South West - South East - Independent - Independent
Director General	Kathleen Duncan	- from 10 September 1990
	<i>Retired 1 September 1990</i> Sir Simon Cassels KCB CBE	
Secretary	R.W. Jenkins	

Bankers	TSB Bank plc, Lombard Street, London EC3V 9EA
Solicitors	Theodore Goddard
Auditors	KPMG Peat Marwick McLintock
Address	25 Milk Street, London EC2V 8LU
Telephone	071-606 7070
Telex	8812487 (TSBCB)
Facsimile	071-606 0510
Company Limited by Guarantee	Registered Number 1971242
Registered Charity	Charity Commissioners Reference Number 327114

TSB FOUNDATION FOR ENGLAND AND WALES

CHAIRMAN'S STATEMENT

Year ended 31 October 1990

The Foundation has now completed four full years of operations and I have much pleasure in presenting this report on the activities for the year ended 31 October 1990.

The results for the year are given on page 5. The funds available for donation are dependent on the profits of the TSB Group. These are averaged over three years thus eliminating any major fluctuations. The income under the TSB Group Deed of Covenant reduced only slightly in 1990 with the total value of donations £2.1 million (£2.2M in 1989) following this pattern. The number of appeals however, have continued to increase in addition to which the Foundation took over the smaller donations previously dealt with by the TSB's Community Budget. The total number of donations made increased to 742 (1989 - 613).

Dealing with more appeals without a corresponding increase in funds has emphasised the need for firm policies and guidelines. These are under constant review and at the beginning of 1990, a revised leaflet was published. Whilst following the same principles, this expressed more concisely the guidelines within which the Foundation supports the community.

A further exciting aspect of the Foundation's activities is the "Investing in Imagination Awards" Scheme devised with the TSB Bank and the other 3 TSB Foundations. Hundreds of entries were received from organisations previously supported by the Foundations showing how they had used "Imagination" in identifying needs, developing potential and raising funds. These demonstrated the zest for life which can be found behind so much charitable work.

The Foundations also came together in contributing to the support of Nationwide appeals. In 1990 this amounted to 10% of our covenanted income. Next year, the England and Wales share will increase to 15% to allow a greater use of these funds for major appeals of national interest reflecting the TSB Group's wider appeal.

As can be seen, this has been a varied year needing much hard thought and work. Happily it is my responsibility to thank those who have made this possible.

Foremost is Sir Simon Cassels, our first Director General who retired in August 1990. His has been the formidable task of setting up the Foundation following its birth as part of the TSB's flotation in 1986. This, he has accomplished with tact, diplomacy and tenacity and the organisation he has been able to hand over to his successor bears the hallmarks of his achievements.

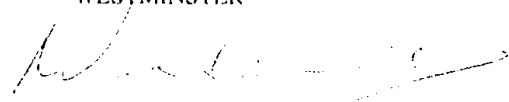
My appreciation also goes to the Trustees several of whom were new last year, who have shown their mettle and given freely of their time and expertise. Their work in chairing regional appeal meetings and assisting with special funds such as that for the homeless has helped enormously in the smooth processing of the appeals. I would particularly like to thank my Deputy Chairman, Lord Chapple, who took the chair when need suddenly arose.

The Foundation could not complete its work without the assistance and co-operation of the Regional and Area Directors of the TSB Bank and their staff. We are dependent on the branch network for the expertise it provides on the needs of the local communities.

It is also my pleasure to welcome, as our new Director General, Kathleen Duncan, who has considerable knowledge and experience of the charitable and marketing world.

The Foundations have established TSB as one of the leading supporters of the community. We now look forward to the challenge of the 1990's and to helping create a better community from which all can benefit.

WESTMINSTER



TSB FOUNDATION FOR ENGLAND AND WALES

DIRECTOR GENERAL'S REPORT

Year ended 31 October 1990

My appointment as Director General in September 1990, allows me the honour of making this report. Most of the work described however, was directed by my predecessor Sir Simon Cassels and I am grateful to him for handing over matters in such a "ship shape" manner!

The Foundation's work has continued to expand both in volume and content. The number of organisations applying for financial help has increased throughout the year and appeals processed totalled 2,800. This is almost double the volume of two years ago.

Initiatives taken in 1989 have been developed further linking several regional donations together to form a combined appeal for selected national organisations. Help the Aged, Crime Concern, Arthritis Care and The National Toy Libraries have been supported in this way throughout the country. We intend to continue this pro-active approach.

The highlight of the year has been the introduction of the "Investing in Imagination" Awards Scheme outlined in the Chairman's Statement. We hope that this will be repeated at regular intervals and are grateful to the senior management of the TSB Bank for initiating the Awards.

The reorganisation of the TSB Bank branch network has allowed us to concentrate our efforts in the community through the new network areas. Each of our Regional Trustees takes responsibility for the donations in one or more of these areas. This year, we have also administered the small donations of between £50 and £500, authority for which is delegated to the TSB Bank Regional management. These changes in procedure have led to a closer working relationship with the TSB Bank and at area level, have begun to produce a stronger flow of appeals. The links between the Foundation's London office staff and the regional offices of the TSB Bank have also been strengthened.

One of my enjoyable tasks on taking up my new position has been to visit the various operating companies throughout the Group. The Foundation is responsible for the charitable giving of the whole of the TSB Group and I am grateful for the interest and friendly co-operation I have received.

The pressures on the Foundation's resources will undoubtedly be great in the coming year. We look forward to this challenge and to supporting the communities in which TSB has its roots.

Kathleen Duncan

Kathleen N Duncan

TSB FOUNDATION FOR ENGLAND AND WALES

TRUSTEES REPORT

Year Ended October 1990

The Trustees present their annual report and the audited accounts for the year ended 31 October 1990.

Incorporation The TSB Foundation for England and Wales was incorporated on 13 December 1985 as a company limited by guarantee. It is one of four Foundations created to preserve in a permanent framework the TSB's traditional role of contributing to the life of the community. The other three Foundations cover Scotland, Northern Ireland, and the Channel Islands. Each Foundation is separate from the other and from the TSB Group and is directed by its own independent Board of Trustees.

Objects The TSB Foundation for England and Wales is established to do anything which is a charitable purpose according to the laws of England and Wales from time to time principally in, but not limited to, England and Wales and the Isle of Man including in particular:

To advance education and training in all aspects of knowledge by means of (but not limited to) the making of grants, including the establishment of scholarships and prizes, and other like awards.

To advance scientific or medical research, on the condition that all useful results of such scientific or medical research are published, and education in scientific or medical research by means of (but not limited to) the making of grants, including the establishment of scholarships and prizes, and other like awards.

To promote the provision of facilities in the interest of social and community welfare for recreation and leisure time occupation and enjoyment of the arts with the object of improving the conditions of life of people who are disadvantaged by youth, age, infirmity or disablement, poverty or social and economic circumstances.

Activities The Income and Expenditure Account on page 5 shows the income received quarterly under the Deed of Covenant with TSB Group plc, together with the expenditure and the balance brought forward from last year. The authorised donations amounted to some £2.1 million. Expenditure on administration increased due to additional staff costs including the full charge for seconded personnel and the VAT thereon. The undistributed income carried forward at 31 October 1990 included the tax recoverable on the last quarter's income received on that date. It is anticipated that this income will be authorised as donations during the next financial year.

Future Prospects The Foundation, following the publication of the TSB Group results, is expecting to receive further income in 1990/91 under the Deed of Covenant.

Trustees The Trustees who are also directors are as listed on page 1.

Auditors KPMG Peat Marwick McLintock have signified their willingness to be reappointed auditors and a resolution to that effect will be proposed at the Annual General Meeting.

By Order of the Board



R.W. Jenkins
Secretary
12 February 1991

TSB FOUNDATION FOR ENGLAND AND WALES
INCOME AND EXPENDITURE ACCOUNT

Year ended 31 October 1990

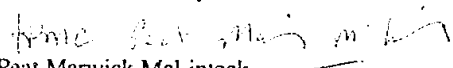
	Note	1990 £	1989 £
Income	3		
	Covenant Interest	2,040,924 57,453	2,169,824 53,967
		<hr/>	<hr/>
		2,098,377	2,223,791
Expenditure	Administration expenses	181,858	82,375
		<hr/>	<hr/>
Income less expenditure	For the year	1,916,519	2,141,416
Undistributed Income	Brought forward from last year	283,128	326,181
		<hr/>	<hr/>
		2,199,647	2,467,597
Donations		2,073,006	2,184,469
		<hr/>	<hr/>
Undistributed Income	Carried forward	<u>126,641</u>	<u>283,128</u>

The notes on page 8 form part of these accounts.

**AUDITORS' REPORT TO THE TRUSTEES OF THE TSB
FOUNDATION FOR ENGLAND AND WALES**

We have audited the accounts on pages 5 to 8 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Foundation at 31 October 1990 and of its transactions and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG Peat Marwick McLintock
Chartered Accountants

London
12 February 1991

TSB FOUNDATION FOR ENGLAND AND WALES
BALANCE SHEET

31 October 1990

	Note	1990 £	1989 £
Fund			
	Excess of income over expenditure	<u>126,641</u>	<u>283,128</u>
Represented by Fixed Assets	4		
	Investments	—	—
Current Assets	5		
	Debtors	177,766	149,064
	Cash at bank	16,373	188,071
		<u>194,139</u>	<u>337,135</u>
Current Liabilities			
	Creditors: amounts falling due within one year		
	Donations payable	31,500	31,297
	Amounts owed to TSB Group companies	19,359	15,875
	Accruals	16,639	6,835
		<u>67,498</u>	<u>54,007</u>
Total Assets less Current Liabilities		<u>126,641</u>	<u>283,128</u>

The accounts were approved by the Trustees on 12 February 1991

The Duke of Westminster
The Lord Chapple
P. Charlton
Trustees *Chapple of Weston*

The notes on page 8 form part of these accounts

TSB FOUNDATION FOR ENGLAND AND WALES
STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended 31 October 1990

		1990	1989
		£	£
Source of Funds	Income less expenditure for the year	1,916,519	2,141,416
Application of Funds	Donations	2,073,006	2,184,469
		<u>(156,487)</u>	<u>(43,053)</u>
Represented by	Debtors	28,702	37,971
Movements in	Creditors falling due within one year	(13,491)	(23,887)
Working Capital	Movement in net liquid funds:		
	Decrease in cash at bank	(171,698)	(57,137)
		<u>(156,487)</u>	<u>(43,053)</u>

TSB FOUNDATION FOR ENGLAND AND WALES

NOTES ON THE ACCOUNTS

Note 1

Guarantee Company The Foundation is a company limited by guarantee not having a share capital. The liability of the members is limited by the Memorandum of Association to £1 each. The number of Trustees who are also members at 31 October 1990 was twelve.

Note 2

Basis of Preparation The accounts are prepared on the basis of the accruals concept.

Note 3

Income The Foundation derives its revenue from TSB Group plc which has entered into a covenant to make annual payments to the England and Wales Foundation of a total amount equal to 0.7212 per cent of one-third of the aggregate pre-tax profits (less pre-tax losses) of the Group for the three years ended on 31 October in the year preceding the year of payment.

Note 4

Investments The Foundation holds 56,936,842 limited voting shares of 25p each of TSB Group plc, representing 72.12% of such shares in issue, which themselves represent 5% of the issued share capital of the TSB Group plc. The shares have no rights to dividend; have voting rights only in limited circumstances; and may be converted into ordinary shares of TSB Group plc under certain circumstances.

The Foundation also holds a Special Rights Redeemable Preference Share of £1 in TSB Bank plc. This share carries the right to appoint two directors to the Board of TSB Bank plc.

These investments have been stated in the accounts at a cost of nil. The Trustees consider this to be the market value.

Note 5

Debtors Debtors represent tax recoverable on covenanted donations received and amounts due from other TSB Foundations.

Note 6

Donations The Trustees have approved in principle the payment of donations payable by instalment in future years totalling £677,481.

Note 7

**Employees
Emoluments** No employees received emoluments in excess of £30,000.

Note 8

**Auditors'
Remuneration** The auditors' remuneration for the year was £700.

Note 9

Trustees' Fees The Trustees, who are also the directors of the Foundation, received no remuneration during the year.

NOTICE OF ILLEGIBLE DOCUMENT ON THE MICROFICHE RECORD

Companies House regrets that the microfiche record for this company contains some data which is illegible.

The poor quality has been noted but unfortunately the steps taken to improve the quality have been unsuccessful.

Companies House would like to apologise for any inconvenience this may cause.