

CP

**CUMBERLAND LODGE**  
**(A Registered Charity and Company**  
**Limited by Guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2009**



Charity Registration number: 1108677  
Company Registration number: 05383055

**CUMBERLAND LODGE**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2009**

---

<b>CONTENTS</b>	<b>Page</b>
Trustees, Officers and Advisors	1
Chairman's Report	2-4
Principal's Report	5-9
Trustees' report	10-12
Auditors' report	13
Statement of financial activities	14
Balance sheet	15
Notes to the financial statements	16 – 22

## **TRUSTEES, OFFICERS AND ADVISORS**

**FOR THE YEAR ENDED 31 AUGUST 2009**

---

### **ADDRESS**

Cumberland Lodge  
The Great Park  
Windsor  
Berkshire  
SL4 2HP

### **TRUSTEES**

#### **(and directors of the company)**

Sir Eric Anderson KT (Chairman) (retired January 2009)  
Sir Stephen Wall GCMG LVO (Chairman) (*E N*)  
(appointed February 2009)  
Lynn Berry OBE (appointed July 2009)  
Neil Clarke (*A*)  
Sir Graeme Davies FREng  
Sir John Gieve KCB  
The Revd Robin Griffiths-Jones  
Joanna Kennedy OBE FREng (*A*)  
Professor Tom Kirkwood CBE  
David Lunn OBE (*E*)  
Dame Elizabeth Neville DBE QPM (*A E*)  
John Pool (*E*)  
The Rt Hon Baroness Prashar of Runnymede, PC CBE (*N*)  
Dr Christopher Southgate (*C*) (retired July 2009)  
James Stewart OBE (*E*)  
Morra Stuart OBE  
Salley Vickers (appointed July 2009)  
The Lord Waldegrave of North Hill, PC, (appointed July 2009)  
The Revd Dr Ralph Waller

(*E* - Member of the Executive Committee)  
(*A* - Member of the Audit Committee)  
(*N* - Member of the Nominations Committee)  
(*C* - Member of the Academic Consultative Committee)

### **HONORARY TREASURER**

John Pool

### **PRINCIPAL**

Dr Alastair Niven OBE

### **BURSAR**

Martin Newlan

### **BANKERS**

HSBC Bank Plc  
105 Mount Pleasant  
Tunbridge Wells  
Kent TN1 1QP

### **SOLICITORS**

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

### **AUDITORS**

Haysmacintyre  
Fairfax House  
15 Fulwood Place  
London WC1V 6AY

### **INVESTMENT MANAGERS**

Black Rock Investment Managers,  
33 King William Street,  
London EC4R 9AS

## **CUMBERLAND LODGE**

### **ANNUAL REPORT 2008-2009**

#### **Chairman's Report**

---

I succeeded Sir Eric Anderson, as Chairman of Cumberland Lodge on 1st February 2009, not quite half way through the year covered by this Annual Report. Much of the goodwill which the Lodge enjoys, and many of its successes in recent years, have been because of Eric's skilful oversight. I have been fortunate to take on a flourishing organisation.

#### A good financial year

We said in last year's Annual Report that we were ending with 'as good a financial result as we have known, though one appropriate to a modest if robust charity'. The end of this financial year was slightly less strong, but was still remarkably buoyant given the recession and uncertainty we are all experiencing. We are particularly grateful to our many donors this year, some of whom assisted in the provision of bursaries to young people to attend events here and others who supported the Lodge's own programme of conferences. They include Coutts and Co., the Eranda Foundation, the Sir Ernest Cassel Educational Trust, the Hedley Foundation, Langley Grammar School, the PF Charitable Trust, the Rayne Trust, Reliance Secure Task Management, the Royal Society and the Wellcome Trust. Without their support we would not have performed anything like as strongly

#### Usage of the Lodge

I should also like to thank the many organisations who showed their confidence in Cumberland Lodge by renewing their bookings. We play host to over 140 academic visits a year. Providing an opportunity for young people, especially potential graduates in the universities, to step outside their normal routines of course work and research is the core reason why we exist. It is gratifying to know that the demand for such visits to the Lodge shows no falling off, despite the changed environment of higher education itself, brought about by the introduction of fees and the consequent growth of a consumer culture. But I am writing this just after the Chancellor of the Exchequer's Pre Budget Report which has within it a warning of a serious squeeze on the budgets of universities so the next couple of years, and maybe more, will be testing for us as for them

For the past 62 years Cumberland Lodge has sustained its work with students, whose visits we heavily subsidise, by ensuring that, between times, we either organise our own conferences or play host to national organisations, charities, corporate and international bodies. The only way the Lodge can be successful is to ensure that it is permanently busy. Apart from a few days at Christmas and Easter, and for one week in the summer, when we undertake necessary refurbishments, the Lodge never closes. This inevitably imposes strain upon the staff, who must ensure that everyone staying at the Lodge feels it is run just for them. Groups follow one upon another with minimal time for the inevitable changes of format and layout which differing conferences require. From the evidence of our feedback, it all works. My warm appreciation therefore goes to all the staff at Cumberland Lodge for ensuring that this is so. And it is not just a matter of hard work, though there is plenty of that. It is the product of professionalism, commitment and enthusiasm.

#### New Visitors

Given that there are many repeat bookings at the Lodge – a sign, surely, that it offers its visitors what they want – there is quite an art in ensuring that newcomers also have access to it. This is both an insurance policy for the future, since a first-time visitor may become the backbone of future renewals, but also a responsibility and a pleasure for the Lodge itself, which likes nothing better than introducing people to its unique ethos. Among the 27 organisations which came to Cumberland Lodge for the first time in 2008/9 were the British Red Cross, organising a fund-raising *souk*, the Jill Dando Institute of Crime Science, the Royal College of Physicians, the United Kingdom Council for International Student Affairs, and the Nash Ensemble, holding its first ever residential summer event, comprising a high-level conference on 'Music and the Brain' and four superb public concerts in Windsor.

## **CUMBERLAND LODGE**

### **ANNUAL REPORT 2008-2009**

#### **Chairman's Report (continued)**

---

##### Level of Occupancy

Though the majority of guests arriving at Cumberland Lodge stay for two nights, some are with us for only one whilst others stay longer, occasionally for as much as two weeks. This being so, we calculate our occupancy more by the number of bed nights filled during the year than by the number of individuals staying at the Lodge. In the year under review the total number of guest bed nights was 13,327. Of these, 7,024 were student bed nights, when a combination of subsidies from the Lodge and from the visiting institutions themselves kept charges affordable for young people with constrained budgets. The National Health Service supported 2,070 medical bed nights for doctors in training. These people come to the Lodge to learn more about their responsibilities as medical practitioners in the community, not to continue their specialist medical training. To this mix must be added eight weekends at the Lodge for trainee barristers, in programmes convened by all four Inns of Court. During such visits eminent judges and advocates rub shoulders with young people preparing for their qualifying examinations, a surprising and successful experience for all.

A further category of visitors are those who attend the conferences we ourselves generate, of which there were nine in the year, attended by 527 participants. The virtue of relatively small conferences is that everyone present can get to know each other and we can ensure that we have facilitated a conversation between people who may not normally meet, but who all have something relevant to contribute to the topic.

In the last three years particular efforts have been made to attract more day business to the Lodge. As the recession took hold, this was the most difficult kind of booking to maintain as very often an organisation sacrifices an away day when the pinch is being felt and something has to give. Nevertheless, we had 2,817 day visitors registered at the Lodge for meetings of various kinds, in addition to the many hundreds who came in to see our temporary exhibitions, to attend one of our Cumberland Conversations, or to have a guided tour of our historic premises. The Principal comments more fully on these events later in this Report, but I am happy to note that the Lodge has through the year continued to forge many new contacts with the local community.

##### International and Commonwealth

At the same time, we have continued to host many visitors from other countries and to develop our reputation for international hospitality. Once again, Central Banking, the Commonwealth Scholarship Commission and the Deutscher Akademischer Austausch Dienst visited twice each. We were also delighted to host both the new Ministry of Justice's International Common Law Conference and the Psychology of Women Section's international conference. The Royal Collection came to the Lodge for the first time for its annual Royal Collection Studies programme, bringing together curators and gallery managers from many parts of the world. We hope this will be an annual event here from now on.

##### Refurbishments

Sir Eric reported last year on the redevelopment of our kitchens. I am happy to say that they went on to win the Catering Equipment Distributors Association Grand Prix Award for the best refurbishment of a kitchen in Britain. In addition, during the year we greatly improved our fire protection throughout all our buildings. Our biggest capital project was the refurbishment and modernisation of Studio Cottage, the characterful house handed over to the Lodge by the Privy Purse only last year. It has become the home of the Principal and his wife, thus releasing for income generation the rather larger Groom's House in which they previously lived.

## **CUMBERLAND LODGE**

### **ANNUAL REPORT 2008-2009**

#### **Chairman's Report (continued)**

---

##### Governance

In addition to my own appointment as a Trustee and as Chairman of the Board, three new Trustees joined the Board, Lynne Berry, Chief Executive of the WRVS, Salley Vickers, the novelist, and the Rt. Hon. Lord Waldegrave, Provost of Eton College. Dr Christopher Southgate stepped down as a Trustee and as Chairman of our Academic Consultative Committee on being appointed director of a major Anglo American research project on the origins of life. We particularly thank him for his wise service to the Lodge and for his constant upholding of its intellectual and spiritual values.

Of course, one of our greatest assets is the Lodge itself, its location and the support we get from our patron, Her Majesty The Queen. When King George VI read Amy Buller's book *Darkness Over Germany* in 1943, he offered her Cumberland Lodge to fulfil her vision of ensuring that never again would a generation be captured by a hideous ideology. The continuity of our location and our vision would not have happened without that sustained support ever since.

I am very pleased to present my first Annual Report and look forward to my close involvement with this inspiring foundation.

**Stephen Wall**  
**Chairman**

## **CUMBERLAND LODGE**

### **ANNUAL REPORT 2008-2009**

#### **Principal's Report**

---

##### **Another active year**

In its sixty-second year Cumberland Lodge was constantly busy. At a time when the word 'recession' inevitably cast a shadow on our planning and expectations it was gratifying that, as our Chairman reports, business remained buoyant and the charity's aims were once again fulfilled. I am deeply grateful to all my colleagues for their positive and cheerful attitude. There are few respites in the life of a place like Cumberland Lodge, when they come, it is more than likely to be the result of an unexpected cancellation for reasons beyond anyone's control – and such occasions are rare. I am amazed by the high degree of commitment, energy and foresight which the team here constantly displays. On consecutive days it is not unusual for a group of nearly 90 hyperactive students, partying in to the small hours after a long programme of lectures and seminars, to be followed into the Lodge by a national organisation requiring absolute confidentiality, a plethora of break-out rooms, and a five-star dinner with eminent guests. At weekends security clearance needs to be sought for the many visitors here who like to worship at Royal Chapel. We manage a rota twenty-four hours a day, seven days a week, to ensure that responsible people are on call to back up our daytime Duty Managers and night time staff. I often say to my colleagues, and this year I record it publicly in this Report, that no-one in as complex and unusual an organisation as Cumberland Lodge is more important than anyone else. We all have the same aim, which is nothing less than to make this Foundation uniquely hospitable. Others must decide whether we achieve this, but the fact that so many organisations want to return year after year, coupled with comments we receive by letter, e-mail, on evaluation forms and verbally, suggests that we are on the right track.

If I pick out one particular member of staff it is because he was with us for only one year. The Rev. Andrew Taylor covered Sandra Robinson's maternity leave, as Acting Director of our conferences, with distinction and we are very grateful to him.

##### **Chairman and Trustees**

We were delighted that Sir Stephen Wall, after his name was approved by our Patron, Her Majesty The Queen, accepted the Board's invitation to be our new Chairman. I have worked with, and indeed been a member of, several Boards of charities, but after nearly nine years as Principal of the Lodge I can truly say that I have known none more committed or helpful than ours at Cumberland Lodge. Sir Eric Anderson's twelve year tenure as Chairman was combined at various times with his many other offices, including being Rector of Lincoln College, Oxford, Provost of Eton College and Chairman of the National Heritage Memorial Fund. He gave unstintingly to Cumberland Lodge. As all who have worked with them will know, he and Lady Anderson made a wonderful team. They were in charge of the Lodge for his last Christmas as our Chairman, coping with truculent boilers and wayward fire alarms like the rest of us! Sir Stephen, formerly Private Secretary to the Prime Minister, British Ambassador to Portugal and later to the European Union, and Head of the European Secretariat in the Cabinet Office, is a most worthy successor and has already been enormously supportive. We all look forward to working with him in the coming years.

##### **Cumberland Lodge Conferences**

During the course of the year we made great strides in developing our website, where for some years now reports on our conferences have been placed as soon as possible after they are concluded. We have been researching the early history of these events, which in the early 1950s evolved from the reading parties which the Lodge organised when it began its work in 1947. This year, for the first time, recordings of some of the talks given at our conferences were put on the website so that they could be heard by as many people as possible. The process of recruiting participants for conferences was also helped by podcast interviews with potential speakers, describing the importance of the topic.

Increasingly we are inviting partners to join us in planning conferences. This year we were pleased to work for a second time with St George's House, Windsor, which allowed participants to stay both at the Lodge and at Windsor Castle. We also worked with the Runnymede Trust, the 21st Century Trust, English PEN and the Police, thus ensuring not only that we gained from the expertise which these organisations brought to the planning of the conferences, but also that the event was widely known.

Several of our conferences focused on issues of citizenship. This had been so at the end of the previous year, when we ran a conference on the state of the voluntary sector in this country (*Trumpeting the Voluntary: Social Conscience and the Third Sector*, July 2008). We picked up the theme in the first conference of the year covered by this report, *Science Education and the Needs of Society*, organised with St George's House. With our conferences we are not only able to facilitate the coming together of people with a common interest who nevertheless rarely if ever meet, but we examine issues from both a specialist and a non specialist point of view. Such a convergence means that our conferences are far from esoteric and have genuine public benefit. By focusing on the application of science in the community we helped to 'de-mystify' its place in education.

We more specifically continued our examination of citizenship issues in the conference we organised with the Runnymede Trust, who were celebrating their 40th anniversary. *The New Politics of Belonging* explored the relation of the citizen with the state. Our compass was even broader for *No Frontiers? Free Speech and the Internet* when the complex interconnections of privacy, individual rights and the development of new technology were discussed by a combination of lawyers, journalists, academics and freelance writers. We returned to citizenship as a topic in our 28th annual Cumberland Lodge Police Conference, *Freedom from Fear: Public Perceptions of Crime and Justice*. Indeed, the rights and expectations of the ordinary citizen were also at stake when, at a one-day conference in March, we posed the question *Do We Have the Arts Funding System We Deserve?* This was an opportunity to look at the relationship between a national funding bureaucracy and the tax-paying enthusiast for culture. In all these conferences, as the accompanying list of speakers testifies, we provided the opportunity for informed dialogue between people who need to hear each others' views.

Our founder Amy Buller, one of whose purposes for the Lodge was to bring together students of different disciplines to reflect upon their future roles in society, must surely have been smiling upon the two conferences we organised for PhD students. This was a new initiative, but one that is now likely to become annual. *Beyond the Campus: an Interdisciplinary Examination of the Value of Research* brought together over sixty postgraduate students who were approaching completion of their theses. It provided them with an opportunity to hone their communication skills by presenting summaries of their work. To explain complex data comprehensibly to people from another discipline presents quite a challenge, which I am happy to say almost all the students mastered. It is not easy for a physicist to make intelligible his or her work to a linguist or for a specialist in the Victorian novel to hold the attention of a geologist! So successful was this conference that an extended version for different students was run a few months later under the title *Is There Life After a PhD?* On both occasions there was an opportunity to talk about career options both inside and outside academia. It was touching to realise how isolated the typical postgraduate student feels in our universities today and how relieved they were to discover that their anxieties were shared around the country by colleagues at a similar stage to themselves. We are extremely grateful to all the Vice Chancellors and Principals who readily supported the travel and accommodation costs of nominated students.

In June we celebrated the 50th anniversary of the Antarctic Treaty. This was an unusual subject for a Cumberland Lodge Conference but it was consistent with our mission to encourage international understanding. The Antarctic Treaty is a role model for political and scientific co-operation, but it faces challenges because of climate change, oil prospecting, scientific developments and new political alignments. These were considered by some of the world's experts in Antarctic matters, and the findings from the conference were forwarded to the global convention on the future of the Antarctic taking place in Washington DC a few months later.

Once again we arranged a Christmas gathering for students from other countries who are studying in the UK, but who may not otherwise experience British hospitality at this time of the year. This is the longest tradition at Cumberland Lodge, the first such event having taken place in 1947. It is an opportunity both for a social gathering, with appropriate Christmas treats, and for discussions of social relevance, as evidenced this year by the participation of three young experts on fair trade from Cheney School, Oxford, who had participated in a television programme. The poet Jackie Kay gave a reading and the Revd. Canon Roger Job conducted a multi-faith observance.



## CUMBERLAND LODGE

### ANNUAL REPORT 2008-2009

#### Principal's Report (continued)

---

All these conferences were well attended. We have produced reports on them and we also now have in place on the staff the means to track the outcomes of our conferences, so that for example we can follow up any commitments made at them, monitor press responses, and analyse their influence after they are concluded.

#### Public Events

We have continued to open up the Lodge to the local community and indeed to people from further afield. Our programme of Cumberland Conversations, begun in 2004, is now well established. Four such events were held this year, all of them full to capacity. Indeed, we have introduced an overflow system so that some people can join in with a video extension. On these occasions, the speaker gives a short talk and then opens up their chosen topic in a platform conversation, followed by questions and answers. We were lucky to attract Kathryn Jones and Julia Bagguley from the Royal Collection to talk about the provenance of gifts given to The Queen on her travels abroad, an occasion accompanying the exhibition of The Queen's Gifts which we hosted at the Lodge for several months. Our other Cumberland Conversation speakers were Philip Everett, the Deputy Ranger of Windsor Great Park, speaking about changes in land management, David Noble, a magistrate, and Judge Daniel Pearce-Higgins, QC, talking about the operation of courts in this country, and the Revd Canon Roger Royle, reflecting on his life as an Anglican priest and as a well-known broadcaster and entertainer.

We also put on a unique evening for the public at which the recently retired Poet Laureate, Sir Andrew Motion, the first writer in the history of the post to have a set term for his appointment, enthralled a packed audience with his inside story of what his office had involved. He combined it with a superb reading of a selection of his own poetry, including his sequence about Harry Patch, the last British survivor of the First World War. The next morning everyone who had been present woke to hear the news that Mr. Patch had died overnight, unexpectedly though at the great age of 111. It was a serendipitous moment none will ever forget.

The Lodge's Fifth Annual Cumberland Lodge Lecture was given by Sir John Tusa, Chairman of the University of the Arts, London, and until recently Managing Director of the Barbican Centre in London, where for the past six years Cumberland Lodge has advised and frequently chaired over thirty public discussions on ethical, social and cultural matters. Sir John's title was *The Arts: A Suitable Case for Treatment*. By common consent it was a brilliant occasion, the text of which is now published by the Lodge.

#### Exhibitions

The main exhibition of the year, seen in several parts of the Lodge, was organised in partnership with the Royal Collection and was made up of presents given to The Queen on her Commonwealth travels. Some of these were seen again a few months later as part of a summer display at Buckingham Palace. We were also delighted to develop a new space at the Lodge for smaller-scale displays of artworks, mainly by local artists. Christina Al-Wakil's photographs and paintings, Lynne Everett's watercolours, Jessica Gadsby's *collages* and work by the Oxford Rag Rug Group, all proved very popular.

#### The Way Ahead

In last year's annual report I wrote that 'for all the gentle rhythm of the place' Cumberland Lodge 'encourages searching moral discussion and sometimes quite radical debate. It is extraordinary that young people freshly away from home feel as confident here as do some of the most eminent men and women in the country. I peer ahead, in the current economic climate, and wonder if I will report as confidently next year'. Despite the anxieties of recession, I can now look back on the past twelve months with satisfaction that so many excellent events have taken place here, that our bookings have remained robust, and that we have carried out the intentions of our founders to the best of our ability.

**Alastair Niven**  
**Principal**

## CUMBERLAND LODGE

### ANNUAL REPORT 2008-2009

#### Principal's Report (continued)

---

#### **Cumberland Lodge Conferences 2008-9**

The following is a list of conferences organised by the Lodge, distinct from those brought here by the many organisations we hosted during the year.

##### **12 – 14 September**

##### ***Science Education and the Needs of Society***

(organised jointly with St George's House, Windsor)

Chairperson: Dame Bridget Ogilvie, scientist.

Principal speakers. Dr Lloyd Anderson, Director of Science, Engineering and Environment, British Council; Professor Peter Atkins, scientist; Dr Rodney Eastwood, Secretary, Imperial College London, Dr Laura Grant, scientist, Richard Greenhalgh, Chairman, Council for Industry and Higher Education; Professor John Holman, Director of the National Science Learning Centre; Professor Jonathan Osborne, Professor of Science Education, King's College London; David Perks, scientist and educator; Revd. Professor Michael Reiss, Professor of Science Education, Institute of Education, University of London, and Director of Education, The Royal Society; Professor Kathy Sykes, Professor of Science and Society, University of Bristol, Professor Lord Robert Winston, Professor of Science and Society, Imperial College

##### **6 October**

##### ***The New Politics of Belonging***

(organised with the Runnymede Trust)

Principal speakers: Paul Goodman, MP; Simon Hughes, MP; Professor Gus John, Chief Executive, Gus John Partnership Limited; Sunder Katwala, General Secretary, Fabian Society; Kwame Kwei-Armah, writer; Michelynn Lafèche, Director, Runnymede Trust, Bharat Mehta, Chief Executive, City Parochial Foundation; Claude Moraes, MEP; Farah Pandith, Senior Advisor to the Assistant Secretary of State for European and Eurasian Affairs, Professor Lord Bhikhu Parekh, Professor of Philosophy, University of Westminster, Baroness Usha Prashar, Chairman, Judicial Appointments Commission, Professor Tariq Ramadan, Professor of Islamic Studies, University of Oxford; Dr Samir Shah, Chief Executive, Juniper; Professor Gerry Stoker, Professor of Politics and Governments, University of Southampton; Professor Margaret Wetherell, Professor of Social Psychology, Open University, Simon Woolley, Director, Operation Blackboat.

##### **19 – 21 November**

##### ***No Frontiers? Free Speech and the Internet***

(organised with 21st Century Trust and English PEN)

Principal speakers: Dr Digby Anderson, Former Director, the Social Affairs Unit, Professor Ross Anderson, Professor of Security Engineering, University of Cambridge; Ben Beabey, lawyer; Professor Jonathan Briggs, Professor of Ecommerce, University of Kingston; Dr Ian Brown, Principal Investigator, Privacy Value Networks; Siobhain Butterworth, columnist, *The Guardian*; Sebastian Cody, television executive; Maria Farrell, Policy Officer, Internet Corporation for Assigned Names and Numbers; Tom Fredenske, digital consultant, Jo Glanville, Editor *Index on Censorship*; Jonathan Heawood, Director, English PEN; Isabel Hilton, writer; Peter Jukes, screenwriter, John Lotherington, Director, 21st Century Trust, Jonathan Rée, philosopher, Dr Lifan Zhang, Editor in Chief, FTChinese.com.

##### **19 – 21 December**

##### ***Commonwealth and International Students Christmas***

Principal speakers: Robin Benn, Diko Blackings, Martha Schofield, Cheney School, Oxford, Revd. Canon Roger Job, former Precentor, Westminster Abbey and Winchester Cathedral; Jackie Kay, writer.

##### **28 – 30 January**

##### ***Beyond the Campus: an Interdisciplinary Examination of the Value of Research***

Principal speakers Professor Sir Drummond Bone, former Vice-Chancellor, University of Liverpool; Dr Tim Brain, Chief Constable of Gloucestershire, Dr Iain Cameron, Head of Research, Careers and Diversity, Research Councils UK; Lesley Chamberlain, writer, Professor Justin Champion, Professor of History, Royal Holloway, Professor Grace Davie, Professor of the Sociology of Religion, University of Exeter, Professor Thomas Docherty, Professor of English and Comparative Literature, University of Warwick; Dr Oliver Ford-Davies, actor; Dr Kate Gavron, Chairman, Carcanet Press, Dr Mark Lloyd-Davies, parliamentary candidate; Dr Hilary Richards, Sub-Dean for Life Sciences, University College London, Professor Liz Schafer, Professor of Drama and Theatre Studies, Royal Holloway.

**3 March**

***Do we have the Arts Funding system we Deserve?***

Principal speakers: Dr Paul Brooke-Barnes, General Secretary, Association for Cultural Exchange; Alan Davey, Chief Executive, Arts Council England; Venu Dhupa, former Director Arts, British Council; Vikki Heywood, Executive Director, Royal Shakespeare Company; Tim Joss, Director, Rayne Foundation; Jude Kelly, Artistic Director, South Bank Centre; Gary Pulsifer, publisher, Arcadia Books; Phyllida Shaw, arts consultant; Colin Tweedy, Chief Executive, Arts and Business; Jatinder Verma, Artistic Director, Tara Arts.

**24 – 26 April**                    ***Freedom from Fear: Public Perceptions of Crime and Justice***

(organised jointly with the Police)

Principal speakers: Ashley Ames, Research Director, Ipsos MORI; Sir Norman Bettison, Chief Constable, West Yorkshire; Hon. Judge Alex Calabrese, Presiding Judge, Red Hook Community Justice Center, New York; HH Judge David Carruthers, Chairman, New Zealand Parole Board, Louise Casey, Neighbourhood Crime and Justice Advisor to HM Government; Richard Edwards, Crime Correspondent *Daily Telegraph*; Rt Hon. The Lord Falconer of Thoroton, former Lord Chancellor; HH Judge David Fletcher, Judge of the Community Justice Centre, Liverpool; Professor Frank Furedi, Professor of Sociology, University of Kent; Roger Graef, television director, Peter Lewis, Chief Executive, Crown Prosecution Service, Will Riley, Managing Partner, Intermedia Partners; Alison Rose, Chief Superintendent, West Yorkshire Police; Professor Lawrence Sherman, Wolfson Professor of Criminology, University of Cambridge; Julie Spence, Chief Constable, Cambridgeshire, Phil Wheatley, Director-General National Offender Management Service; Paul West, Chief Constable, West Mercia; Peter Woolf, restorative justice consultant.

**10 – 12 June**

***The Antarctic Treaty: 50 More Years of Preserving Peace?***

Principal speakers. James Barnes, Executive Director, Antarctic and Southern Ocean Coalition; Dian Belanger, historian; Professor Paul Berkman, Head, Arctic Ocean Geopolitics Programme, Scott Polar Research Institute; Professor James Crawford, Whewell Professor of International Law, University of Cambridge, Robert Culshaw, Deputy Director, British Antarctic Survey; Professor Klaus Dodds, Professor of Geopolitics, Royal Holloway; Professor David Drewry, Vice-Chancellor, University of Hull; Meredith Hooper, writer, Professor David Macdonald, Professor of Petroleum Geology, University of Aberdeen; Dr Olav Orheim, Senior Advisor Research Council of Norway; Professor David Walton, Emeritus Fellow, British Antarctic Survey; Professor Oran Young, Professor of Environmental Policy, University of California, Santa Barbara.

**10 – 13 August**

***Is There Life after a PhD?***

Principal speakers. Professor Lauren Arrington, Adrian Research Fellow, Darwin College, University of Cambridge; Dr Jutta Davis, lawyer, Dr Owen Gower, Senior Fellow, Cumberland Lodge, Tim Hardy, actor; Dr Marc Jones, palaeontologist; Professor Alan Michette, Professor of Physics, King's College, London; Dr Alastair Niven, Principal, Cumberland Lodge; Shahida Osman, Careers Advisor, Imperial College, Dr Rachel Parker, consultant, IBM Business Dynamics, Alastair Rolfe, International Advisor, Spencer Stuart; Professor Graham Smith, Professor of Politics, University of Southampton; Ruth Smith, Careers Advisor, University of Cambridge, Dr Dhananjayan Sriskandarajah, Director, Royal Commonwealth Society, Daniel Washburn, researcher.

## **CUMBERLAND LODGE**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2009**

---

The Trustees present their report together with the financial statements for the year ended 31 August 2009. The Chairman's and Principal's reports should be read in conjunction with the Trustees' Report.

Cumberland Lodge was incorporated on 4th March 2005, and the assets and activities of the King George VI and Queen Elizabeth Foundation of St Catharine's charity were transferred to it with effect from 1<sup>st</sup> June 2005 when the new charity and its trading subsidiary commenced operations.

The King George VI and Queen Elizabeth Foundation of St Catharine's continues as a dormant charity, holding the Royal warrant for the occupation of Cumberland Lodge. The Charity Commission published a scheme for a uniting direction which has removed the need to account separately for the old charity.

#### **Group Structure**

Cumberland Lodge has a wholly-owned non-charitable trading subsidiary, Cumberland Lodge Enterprises Limited, which provides conference facilities for professional bodies, charities and other operations. Its profits are gifted in full to its parent. The consolidated results of Cumberland Lodge and its subsidiary are shown on page 14 of the financial statements. The original Charity, King George VI and Queen Elizabeth Foundation of St Catharine's, is held in trust by Cumberland Lodge as corporate trustee.

#### **Objects, Aims and Objectives.**

The objects of the Charity, which is a foundation based on the Christian faith and philosophy of life, are to advance the education of the public, in particular British, Commonwealth and overseas students with particular reference to the nature of human life in society, the relationship between Christian theology and philosophy and alternative religious and secular beliefs and the inter-relationship of various academic disciplines and their practical relevance.

In furtherance of those objects, the Charity aims to provide opportunities for the exchange of views and beliefs, and to explore how study and research can improve society. It does this through the provision and management of a residential conference centre in surroundings conducive to study, debate and interaction. The centre is used by a wide range of members of the public, from Britain, the Commonwealth and elsewhere, including in particular undergraduates, postgraduates and young people in training at a variety of institutions, including the Inns of Court and the National Health Service and young people connected through international organisations.

The Trustees have set a number of objectives for the Charity:

- To widen the impact of Cumberland Lodge,
- To widen the range of visiting institutions,
- To encourage international groups;

#### **Review of Significant Activities and Achievements including Public Benefit**

The Trustees have had regard to the Charity Commission's guidance on public benefit and have considered how the objects have been fulfilled, through the activities undertaken, for the public benefit.

The Charity's significant activities are outlined in detail in the Chairman's and Principal's Reports, which, as noted above, should be read in conjunction with the Trustees' Report (together "the Reports").

As is evident from the Reports, the Charity has focused on providing access to student groups, educational conferences, public conversations and exhibitions in an atmosphere that lends itself to study and reflection.

We provide facilities for universities and other institutions of higher education, learned societies, the National Health Service, Inns of Court and other similar bodies to run programmes that bring people together to discuss matters of an ethical, moral and spiritual nature which lie outside their routine programmes of work.

We also run our own conferences and external events throughout the year. Through that programme, the Charity initiates fresh debate on issues of national and international significance. We are independent and so able to promote frank exchanges of views and cross-sector co-operation on matters affecting the development of society. Although the Charity is Christian by foundation, we encourage the expression of all reasonable views, whether they be religious, moral or social.

We initiated nine conferences in the year, sometimes working in tandem with other organisations including the 21<sup>st</sup> Century Trust, the Royal Society and Runnymede Trust, concerning such areas as International affairs, especially relating to the Commonwealth or Europe, Science and society, Education; Culture and Society; Law and Order; the Media and Society.

By reflecting on particular issues in terms of their wider ramifications, our conferences are informative and inspiring, giving participants the opportunity to gain fresh insights and to make new contacts. At least one conference a year is dedicated to postgraduate students, bringing them together from many institutions and disciplines. Other conferences are for people in any walk of life with a commitment to the topic.

It is important to the Charity that access to the educational experience it provides is open to all who are interested. The principal beneficiaries are students and young people in training and we subsidise their visits by a programme of bursary support and reduced charges

Our own conferences bring together wide audiences from a range of backgrounds for discussion and debate. Reports of the presentations are published to people unable to attend so they can also benefit and podcasts of selected conferences are made freely available on our website. Additionally, we organise a number of lectures, discussions and exhibitions, which are provided free to the public. Many local people attend the lectures and conversations, the only limiting factor being the size of the lecture room.

### **Governance**

The Company is governed by its Memorandum and Articles of Association. The Trustees, who are directors of the company, who served during the year and since, are set out on page 1.

Four committees of the Board; Executive, Audit, Nominations and Academic Consultative, exist to implement policy and exercise control. They met regularly throughout the year. Trustees are represented on each committee. Day to day management of the charity is delegated to the Principal and the Bursar, supported by other senior staff. There is a maximum limit to the number of years a Trustee may serve, and the Board regularly reviews the range of skills it needs. Four new appointments, including a new Chairman, were made during the year, and arrangements are in hand for them to undertake the induction training course for new Trustees.

### **Risk Assessment and Management**

The condition of the buildings is constantly reviewed and both preventative and reactive maintenance measures are undertaken to ensure Cumberland Lodge is a safe and efficient building, offering appropriate facilities to all categories of users. In addition, the risks related to the financial, economic, commercial, legal and regulatory issues affecting our operations are regularly reviewed. On behalf of the Board, the Audit Committee reviewed the risk assessment matrix at its June 2009 and January 2010 meetings and advised the Trustees that there were no significant concerns at those times, apart from the possible consequences of the economic recession. Contingency measures are in hand to deal with any significant reduction in bookings.

## **CUMBERLAND LODGE**

### **TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2009**

---

#### **Investments**

The Executive Committee continues to monitor the charity's investments held in common investment funds and it considers, in the difficult conditions in the financial markets, that the unrealised loss of investment market value was not significantly different in relative terms from that of comparable funds.

#### **Reserves**

The Trustees consider that the reserves held by the charity are consistent with their policy, which is reviewed annually, of having sufficient funds to allow for a loss of income for at least a year in the event of the loss of use of Cumberland Lodge.

#### **Financial Results**

The Trustees consider that it has been a successful year. Income from charitable resources increased by 3% and net incoming resources for the year were £82,334 (2008 net incoming resources £139,355). After unrealised losses on investments, there was a negative movement on funds of £ 62,535. (2008. positive movement £93,419).

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

haysmacintyre were re-appointed auditors of Cumberland Lodge in the year. They have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment was approved.

FOR AND ON BEHALF OF THE TRUSTEES

  
Sir Stephen Wall  
23rd February 2010

  
John Pool

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

### **OF CUMBERLAND LODGE**

We have audited the financial statements of Cumberland Lodge for the year ended 31 August 2009 which comprise the Consolidated Statement of Financial Activities, the charity and group Balance Sheets, the Cash Flow Statement 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).

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The Directors' responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Trustees' Responsibilities Statement. The Trustees are also directors of Cumberland Lodge for the purposes of company law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements. In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Directors' remuneration specified by law are not made. We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

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

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

#### **Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the group's and charitable company's affairs as at 31 August 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Trustees is consistent with the financial statements.

  
**David Sewell (Senior statutory auditor)**  
for and on behalf of haysmacintyre, Statutory Auditor

**Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY**

*13 February 2010*

**CUMBERLAND LODGE****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31 AUGUST 2009**

	<b>Notes</b>	<b>Total 2009 £</b>	<b>Total 2008 £</b>
<b>Incoming Resources</b>			
<i>Income from charitable activities</i>			
Cumberland Lodge Conferences		71,477	66,958
Student and Training Conferences		932,779	827,649
Bar sales from the above		78,943	79,705
<i>Voluntary incoming resources</i>			
Grants and donations		61,500	66,210
<i>Income from generated funds:</i>			
Activities to generate funds.			
Trading turnover	5	763,552	803,398
Rents and lettings		19,315	19,498
Investment income	2	63,007	71,256
Other income		2,037	3,555
Total incoming resources		<u>1,992,610</u>	<u>1,938,229</u>
<b>Resources Expended</b>			
<i>Charitable Activities:</i>			
Cumberland Lodge Conferences		260,035	252,374
Student and Training Conferences		1,201,701	1,060,457
Governance Costs		9,039	7,922
<i>Costs of generating funds:</i>			
Trading Costs	5	437,346	475,898
Charity Finance Costs		2,155	2,223
Total resources expended	3	<u>1,910,276</u>	<u>1,798,874</u>
<b>Net incoming resources</b>		82,334	139,355
Investment disposal gains		-	40,580
Investment revaluation (losses)	7	(144,869)	(86,516)
<b>Net movement in funds for the year</b>		(62,535)	93,419
<b>Balance brought forward at 1 September 2008</b>		<u>3,589,472</u>	<u>3,496,053</u>
<b>Balance carried forward at 31 August 2009</b>		<u><u>£3,526,937</u></u>	<u><u>£3,589,472</u></u>

The notes on pages 16 to 22 form part of these accounts

All transactions are derived from continuing activities.

All recognised gains and losses are included in the statement of financial activities



## GROUP AND CHARITY BALANCE SHEETS

AT 31 AUGUST 2009

	Notes	Consolidated 2009 £	Charity 2009 £	Consolidated 2008 £	Charity 2008 £
<b>FIXED ASSETS</b>					
Tangible assets	6	1,774,960	1,774,960	1,764,823	1,764,823
Investments	7	1,543,852	1,543,852	1,388,721	1,388,721
		<u>3,318,812</u>	<u>3,318,812</u>	<u>3,153,544</u>	<u>3,153,544</u>
<b>CURRENT ASSETS</b>					
Stock	8	25,063	25,063	22,288	22,288
Debtors	9	235,382	350,406	223,374	389,350
Bank balances and cash		337,275	115,775	585,050	321,919
		<u>597,720</u>	<u>491,244</u>	<u>830,712</u>	<u>733,557</u>
<b>CREDITORS: amounts falling due within one year</b>	10	389,595	283,119	394,784	297,629
		<u>389,595</u>	<u>283,119</u>	<u>394,784</u>	<u>297,629</u>
<b>NET CURRENT ASSETS</b>		<u>208,125</u>	<u>208,125</u>	<u>435,928</u>	<u>435,928</u>
<b>NET ASSETS</b>		<u>£3,526,937</u>	<u>£3,526,937</u>	<u>£3,589,472</u>	<u>£3,589,472</u>
Representing.					
<b>FUNDS</b>					
Unrestricted funds		<u>£3,526,937</u>	<u>£3,526,937</u>	<u>£3,589,472</u>	<u>£3,589,472</u>
		<u>£3,526,937</u>	<u>£3,526,937</u>	<u>£3,589,472</u>	<u>£3,589,472</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 23<sup>rd</sup> February 2010 and were signed below on its behalf by

  
Sir Stephen Wall

  
John Pool

The notes on pages 16 to 22 form part of these financial statements.

**1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with the Companies Act 2006 on the historical cost convention as modified by the adoption of current value for investment assets and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities, the Charities SORP 2005.

These accounts consolidate the accounts of the Charity and its wholly owned non-charitable trading company, Cumberland Lodge Enterprises Limited.

As permitted by Section 235 of the Companies Act 2006 and in accordance with paragraph 397 of the Charities SORP 2005, no separate SOFA has been presented for the Charity. The unconsolidated SOFA of Cumberland Lodge discloses total incoming resources of £1,555,264 (2008:£1,462,331), including recharges and gift aid income from the subsidiary, and net incoming resources of £82,334 (2008:net incoming resources of £139,355).

**a) Basis of Accounting - Accounting Convention**

The financial statements have been prepared under the historical cost convention except that certain fixed assets have been included at valuation.

**b) Tangible Fixed Assets**

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

Mews development and conference facilities	Over 20 years
Furniture fixtures and fittings and equipment	Over 3 to 10 years
Motor vehicles	Over 4 years

**c) Investment**

Investments are included in the balance sheet at market value. All gains and losses on revaluations or sales are taken to the Statement of Financial Activities.

**d) Stocks**

Stocks are stated at the lower of cost and net realisable value.

**e) Income from Continuing Operations**

Income comprises accommodation fees, bar takings and other receipts from the Charity's continuing operations, accounted for on an accruals basis, except for donations which are recognised on receipt.

**f) Operating Leases**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

**g) Interest Receivable**

Interest receivable is credited to the Statement of Financial Activities in the year in which it is receivable.

**h) Pension Costs**

The Charity contributes to a defined contributions stakeholder scheme. Contributions are charged to the Statement of Financial Activities in the year for which they are due.

**CUMBERLAND LODGE****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 AUGUST 2009****1. ACCOUNTING POLICIES (continued)****i) Expenditure**

Expenditure is summarised under functional headings on a direct and indirect cost basis, apportioned according to time spent. Governance costs include audit, compliance and trustee costs.

**j) Historic assets**

As tenants, the charity is in possession of a number of historic assets owned by The Crown Estate. These assets, although in use in the operations of the Lodge, have not been capitalised as the assets are not considered assets of the charity, and the Crown may request their return upon notice.

**k) Restricted funds**

Income received for specific purposes is disclosed within restricted funds until it is spent.

**l) Unrestricted Funds**

These funds are expendable at the discretion of the trustees in furtherance of the objects of the Charity, some of which may be designated for specific purposes.

**m) Cash Flow Statement**

The company qualifies as a small company and as such is exempt from the requirement to prepare a cash flow statement under FRS1 (revised) Cash Flow Statement.

**2. INVESTMENT INCOME**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Dividends	57,964	52,105
Bank interest	5,043	19,151
	<u>£63,007</u>	<u>£71,256</u>
	=====	=====

**3(a) ANALYSIS OF TOTAL RESOURCES EXPENDED**

	<b>Staff costs</b>	<b>Other costs</b>	<b>Depreciation</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Charitable Activities</b>				
Cumberland Lodge Conferences	201,166	47,497	11,372	260,035
Student and Training Conferences	395,712	612,788	193,201	1,201,701
	<u>596,878</u>	<u>660,285</u>	<u>204,573</u>	<u>1,461,736</u>
<b>Governance Costs</b>	-	9,039	-	9,039
	<u>596,878</u>	<u>669,324</u>	<u>204,573</u>	<u>1,470,775</u>
<b>Costs of Generating Funds</b>				
Charity finance Costs	-	2,155	-	2,155
	<u>596,878</u>	<u>671,479</u>	<u>204,573</u>	<u>1,472,930</u>
<b>Company Total</b>	596,878	671,479	204,573	1,472,930
Trading Costs	189,312	248,034	-	437,346
	<u>£786,190</u>	<u>£919,513</u>	<u>£204,573</u>	<u>£1,910,276</u>
	=====	=====	=====	=====

**CUMBERLAND LODGE**
**NOTES TO THE FINANCIAL STATEMENTS (continued)**
**YEAR ENDED 31 AUGUST 2009**

3(a)	ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)		2009 £	2008 £		
	Other costs comprise:					
	Contracted services labour		178,873	186,748		
	Food, cleaning materials and management charges		235,945	232,966		
	Accommodation costs		13,500	30,000		
	Laundry and household costs		31,742	28,175		
	Bar purchases		44,563	47,323		
	Post and telephone		9,713	9,131		
	Auditors' remuneration – audit		10,675	6,400		
	- other		7,605	2,559		
	Other professional charges		13,007	17,772		
	Stationery		10,654	12,555		
	Bank charges		2,334	2,393		
	Garden materials and labour		13,579	19,241		
	Heat and light		96,847	59,960		
	Council tax		26,119	27,506		
	Water rates		6,982	7,669		
	Insurances		32,819	30,250		
	Transport costs		3,472	2,835		
	Repairs and maintenance		112,853	92,235		
	Library, newspapers and books		5,388	4,597		
	Other costs		48,650	52,322		
	Cumberland Lodge conference expenses		14,193	12,860		
			£919,513	£885,497		
			=====	=====		
3(b)	ANALYSIS OF DIRECT AND ALLOCATED COSTS		Directly Allocated costs £	Support Costs £		
	Direct Costs £			Total £		
	Charitable Activities					
	Cumberland Lodge Conferences	172,139	42,372	45,524	260,035	
	Student and Training Conferences	15,890	619,057	566,754	1,201,701	
	Governance Costs	9,039	-	-	9,039	
	Costs of Generating Funds					
	Charity finance Costs	2,155	-	-	2,155	
	Trading Costs	3,444	177,249	256,653	437,346	
	Total expenditure	£202,667	£838,678	£868,931	£1,910,276	
		=====	=====	=====	=====	
3(c)	ANALYSIS OF SUPPORT COSTS		Organisational Management £	Finance & Administration £	Household Costs £	Total Support cost £
	Charitable Activities					
	Cumberland Lodge Conferences	25,144	9,902	10,478	45,524	
	Student and Training Conferences	71,817	181,872	313,065	566,754	
	Costs of Generating Funds					
	Trading Costs	34,164	79,232	143,257	256,653	
	Total	£131,125	£271,006	£466,800	£868,931	
		=====	=====	=====	=====	

The method of allocation of support costs is detailed in the accounting policy note on page 17

# CUMBERLAND LODGE

## NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2009

4. STAFF COSTS	2009 £	2008 £
Wages and salaries	663,435	629,778
Social security costs	62,392	59,602
Pension costs	60,363	56,255
	<u>£786,190</u>	<u>£745,635</u>

The average number of full time equivalent employees in the year was:

	No	No
Academic	5	5
House	16	16
Administration	8	7
	<u>29</u>	<u>28</u>

The number of employees whose emoluments exceeded £60,000 were:-

£60,000 - £69,999	1	2
£70,000- £79,999	1	-
	<u>=====</u>	<u>=====</u>

## 5. RESULTS OF SUBSIDIARY

Cumberland Lodge Enterprises Limited is a wholly owned subsidiary of Cumberland Lodge. Cumberland Lodge Enterprises Limited, incorporated in the UK (number 05389873), provides conference facilities for professional bodies, charities and other organisations and donates its annual taxable profits to the Charity under Gift Aid. The results of Cumberland Lodge Enterprises Limited are detailed below:

	2009 £	2008 £
<b>PROFIT AND LOSS ACCOUNT</b>		
Turnover and other income	763,552	803,398
Cost of sales		
Staff costs	189,311	201,886
Other costs	136,464	154,037
	<u>(325,775)</u>	<u>(355,923)</u>
	437,777	447,475
Administration costs		
Printing, postage and stationery	3,771	4,984
Telephone	1,932	1,837
Audit and professional charges	6,576	6,338
Bank charges	179	170
Charge for use of Cumberland Lodge assets	57,280	52,802
Repairs and maintenance	31,599	29,008
Heat and light	27,117	18,857
Council tax	7,313	8,651
Water rates	1,955	2,412
Sundry	31,129	47,718
	<u>(168,851)</u>	<u>(172,777)</u>
<b>Operating profit</b>	268,926	274,698
Gift aid payment	(268,926)	(274,698)
<b>Profit for the year</b>	<u>£ -</u>	<u>£ -</u>

**CUMBERLAND LODGE**
**NOTES TO THE FINANCIAL STATEMENTS (continued)**
**YEAR ENDED 31 AUGUST 2009**

5. RESULTS OF SUBSIDIARY (continued)	2009		2008	
	£	£	£	£
<b>Trading costs</b>				
Costs of sales		325,775		355,923
Administration costs	168,851		172,777	
Less Cumberland Lodge recharge for use of assets	(57,280)		(52,802)	
	<u>          </u>	111,571	<u>          </u>	119,975
		<u>£437,346</u>		<u>£475,898</u>
		<u>          </u>		<u>          </u>
<b>BALANCE SHEET</b>				
<b>CURRENT ASSETS</b>				
Debtors	102,812		110,495	
Cash at bank and in hand	221,500		263,131	
	<u>          </u>		<u>          </u>	
	324,312		373,626	
<b>CREDITORS: amounts falling due Within one year</b>	(324,311)		(373,625)	
	<u>          </u>		<u>          </u>	
<b>NET CURRENT ASSETS</b>		1		1
		<u>          </u>		<u>          </u>
<b>NET ASSETS</b>		£1		£1
		<u>          </u>		<u>          </u>
<b>FUNDS</b>				
Called up share capital		1		1
Profit and loss account				
Retained losses brought forward	-		-	
Profit for the year	-		-	
	<u>          </u>		<u>          </u>	
		-		-
		<u>          </u>		<u>          </u>
		£1		£1
		<u>          </u>		<u>          </u>
		<u>          </u>		<u>          </u>
<b>6. TANGIBLE FIXED ASSETS</b>				
	<b>Improvements to property</b>	<b>Furniture fixtures and equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	£	£	£	£
<b>COST OR VALUATION</b>				
At 31 August 2008	2,102,697	1,488,377	28,408	3,619,482
Additions in year	176,715	34,749	3,246	214,710
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2009	2,279,412	1,523,126	31,654	3,834,192
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>DEPRECIATION</b>				
At 31 August 2008	767,523	1,065,638	21,498	1,854,659
Charge for year	114,130	87,344	3,099	204,573
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2009	881,653	1,152,982	24,597	2,059,232
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET BOOK VALUE</b>				
At 31 August 2009	£1,397,759	£370,144	£7,057	£1,774,960
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2008	£1,335,174	£422,739	£6,910	£1,764,823
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2009

**7. INVESTMENTS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Market value brought forward	1,388,721	2,034,657
Purchases/ (Disposals)	300,000	(600,000)
Gain realised on disposal	-	40,580
Loss on investment	(144,869)	(86,516)
Market value at 31 August – Group & Charity	<u>£1,543,852</u>	<u>£1,388,721</u>
Historical cost at 31 August-Group & Charity	<u>£1,282,210</u>	<u>£982,210</u>

**8. STOCKS**

	<b>2009</b>		<b>2008</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Raw materials and consumables	10,010	10,010	6,461	6,461
Goods for resale	15,053	15,053	15,827	15,827
	<u>£25,063</u>	<u>£25,063</u>	<u>£22,288</u>	<u>£22,288</u>

**9. DEBTORS**

	<b>2009</b>		<b>2008</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accommodation debtors	166,030	64,251	159,568	50,080
Other debtors and prepayments	69,352	69,352	63,806	62,799
Amounts due from subsidiary - Gift Aid	-	138,926	-	144,698
- Other	-	77,877	-	131,773
	<u>£235,382</u>	<u>£350,406</u>	<u>£223,374</u>	<u>£389,350</u>

**10. CREDITORS: Amounts falling Due within one year**

	<b>2009</b>		<b>2008</b>	
	<b>Group</b>	<b>Charity</b>	<b>Group</b>	<b>Charity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Purchases creditors	54,147	54,147	74,057	74,057
Other creditors and accruals	285,436	207,514	276,519	211,729
Taxes and social security	50,012	21,458	44,208	11,843
	<u>£389,595</u>	<u>£283,119</u>	<u>£394,784</u>	<u>£297,629</u>

## CUMBERLAND LODGE

### NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2009

---

#### 11. ANALYSIS OF NET ASSETS

	Total £
<b>Fund balances at 31 August 2009 are represented by</b>	
Tangible fixed assets	1,774,960
Investments	1,543,852
Current assets	597,720
Current liabilities	(389,595)
<b>Total Net Assets</b>	<u>£3,526,937</u>

#### 12. CAPITAL COMMITMENTS

As at 31 August 2009, there were capital works in hand of £48,715 which included £20,809 for the upgrade of the Mews fire alarm system and £25,000 for repair of the Clock Tower. (2008: £8,948)

#### 13. TRUSTEES' REMUNERATION AND EXPENSES

Trustees are not remunerated. £664 was reimbursed for travelling and training expenses to six trustees (2008: £337 to five trustees).

#### 14. PENSION COMMITMENTS

The charity contributes to defined contribution schemes. Assets of the schemes are held separately from the charity in independently administered stakeholder schemes. The charity contributions to the schemes during the year amounted to £56,874 (2008: £52,195). As at 31 August 2009, £7,350 (2008: £6,656) was payable to the schemes.

#### 15. TAXATION

Cumberland Lodge, as a charity, is exempt from corporation tax on its charitable activities.