

THE JOSEPH ROWNTREE REFORM TRUST LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2009

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THE JOSEPH ROWNTREE REFORM TRUST LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2009

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THE JOSEPH ROWNTREE REFORM TRUST LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Danny G Alexander
Amanda C Cormack
Peadar Cremin
Christine J Day
Pam Giddy
Christopher J Greenfield
Andrew C Neal
David T Shutt (Lord Shutt of Greetland)

Company secretary

Tina C Walker

Registered office

The Garden House
Water End
York
YO30 6WQ

Investment adviser

Cheviot Asset Management
90 Long Acre
London
WC2E 9RA

Auditor

Barron & Barron
Chartered Accountants
& Statutory Auditor
Bathurst House
86 Micklegate
York
YO1 6LQ

Bankers

HSBC Bank plc
13 Parliament Street
York
YO1 8XS

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2009

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31 December 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Group's principal activity is investing in securities and real estate, the making of grants, and undertaking projects for political and other purposes in accordance with the terms of the Memoranda of Association

RESULTS

The loss for the year, after taxation, amounted to £657,572. The directors have not recommended a dividend

FINANCIAL INSTRUMENTS

Details of the group's financial risk management objectives and policies are included in note 14 to the accounts

DIRECTORS

The directors who served the company during the year were as follows

Danny G Alexander
Amanda C Cormack
Peadar Cremin
Christine J Day
Pam Giddy
Christopher J Greenfield
Andrew C Neal
David T Shutt (Lord Shutt of Greetland)

The company is limited by guarantee and therefore has no share capital. None of the directors held any shares in this company's subsidiaries in the current or preceding year

RETIREMENT OF DIRECTORS

The following directors are to retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment

Amanda C Cormack
Pam Giddy

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2009

GRANTS

During the year the company has given grants for the following political purposes	£
Alliance Party of Northern Ireland	18,500
Jersey Democratic Alliance	6,500
Liberal Democrats	820,000
Liberal Democrats Leader's Office	70,000
Liberal Democrats - Berwickshire, Roxburgh & Selkirk	450
Liberal Democrats - Calderdale	1,500
Liberal Democrats - Cotswolds	2,500
Liberal Democrats - Inverness East, Nairn & Lochaber	2,800
Liberal Democrats - York Outer	750
Liberal Democrats - Yorkshire & Humberside	25,003
	<u>948,003</u>
For other purposes	
Action on Rights for Children (ARCH)	4,850
British Pregnancy Advisory Service	4,800
British Hong Kong	3,655
Campaign Against Arms Trade	20,000
Climate Camp Legal Team	9,825
Compass	30,550
Council of Ex-Muslims of Britain	5,000
Database State Project	9,993
English Collective of Prostitutes	17,625
Exeter CND	250
Hope Not Hate Yorkshire	63,675
ICM Poll on 42 days detention	2,737
Keep Our NHS Public	8,400
NO2ID Campaign	79,308
Object	18,000
Peace and Neutrality Alliance (PANA)	625
Privacy International	20,000
RemedyUK	10,000
Searchlight	88,053
Tomorrow's Wales	7,500
Tyler, Lord Paul	2,300
Unlock Democracy	70,462
Vision Group for Sidmouth	500
Voice of the Listener & Viewer	3,952
	<u>482,060</u>
Total Grants paid	<u>1,430,063</u>

Grants and project expenditure are recognised in the profit and loss account when paid. The directors have authorised a further £1,184,876 (2008 £1,588,143) for payment, which is not reflected in the accounts, as no binding agreement has been entered into.

Under an arrangement with the Trustees of the JRSST Charitable Trust, the company would reimburse the charitable trust in respect of any grants ultimately rejected by the Inland Revenue. There was no potential liability under this arrangement at 31 December 2009 (2008 £nil).

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2009

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Barron & Barron are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the directors



TINA C WALKER
Company Secretary

Approved by the directors on 26 March 2010

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JOSEPH ROWNTREE REFORM TRUST LIMITED

YEAR ENDED 31 DECEMBER 2009

We have audited the group and parent company financial statements ("the financial statements") of The Joseph Rowntree Reform Trust Limited for the year ended 31 December 2009 on pages 7 to 20. 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 Sections 495 and 496 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 AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of 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 parent company's affairs as at 31 December 2009 and of the group's loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

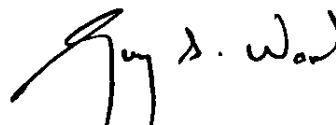
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE JOSEPH ROWNTREE REFORM TRUST LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2009

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



GUY WARD (Senior Statutory Auditor)

For and on behalf of
BARRON & BARRON
Chartered Accountants
& Statutory Auditor

Bathurst House
86 Micklegate
York
YO1 6LQ

26 March 2010

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
GROUP TURNOVER	2	1,174,996	1,413,498
Cost of sales		(21,262)	(11,785)
GROSS PROFIT		1,153,734	1,401,713
Administrative expenses		(302,373)	(255,750)
OPERATING PROFIT	3	851,361	1,145,963
Grants paid		(1,430,063)	(746,782)
		(578,702)	399,181
Profit/(loss) on sale of investments		(44,152)	(512,852)
Interest payable	6	(30)	(185)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(622,884)	(113,856)
Tax on loss on ordinary activities	7	(34,688)	(128,913)
LOSS FOR THE FINANCIAL YEAR	8	<u>(657,572)</u>	<u>(242,769)</u>

All of the activities of the group are classed as continuing

The notes on pages 11 to 20 form part of these financial statements

THE JOSEPH ROWNTREE REFORM TRUST LIMITED
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 DECEMBER 2009

	2009 £	2008 £
Loss for the financial year attributable to the members of the parent company	(657,572)	(242,769)
Unrealised loss on revaluation of properties	–	(4,000,000)
Unrealised profit/(loss) on investments	4,085,311	(8,651,567)
Total gains and losses recognised since the last annual report	<u>3,427,739</u>	<u>(12,894,336)</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2009 £	2008 £
Reported loss on ordinary activities before taxation	(622,884)	(113,856)
Realisation of gains recognised in previous periods	240,222	727,098
Historical cost (loss)/profit on ordinary activities before taxation	<u>(382,662)</u>	<u>613,242</u>
Historical cost (loss)/profit for the year retained after taxation	<u>(417,350)</u>	<u>484,329</u>

The notes on pages 11 to 20 form part of these financial statements.

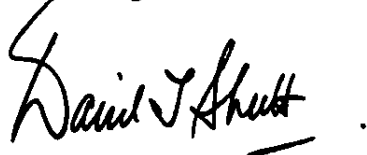
THE JOSEPH ROWNTREE REFORM TRUST LIMITED

GROUP BALANCE SHEET

31 DECEMBER 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	9	6,010,537	6,005,448
Investments	10	25,420,256	21,122,194
		<u>31,430,793</u>	<u>27,127,642</u>
CURRENT ASSETS			
Debtors	11	284,424	310,620
Cash at bank and in hand		168,941	1,131,663
		<u>453,365</u>	<u>1,442,283</u>
CREDITORS: Amounts falling due within one year	12	(201,120)	(314,626)
NET CURRENT ASSETS		<u>252,245</u>	<u>1,127,657</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>31,683,038</u>	<u>28,255,299</u>
RESERVES			
Revaluation reserve	16	17,960,701	14,115,612
Trust capital account	16	4,606,760	4,606,760
Profit and loss account	16	9,115,577	9,532,927
MEMBERS' FUNDS		<u>31,683,038</u>	<u>28,255,299</u>

These financial statements were approved by the directors and authorised for issue on 26 March 2010, and are signed on their behalf by



David T Shutt (Lord Shutt of Greetland)
Director



Christopher J Greenfield
Director

Company Registration Number 357963

The notes on pages 11 to 20 form part of these financial statements

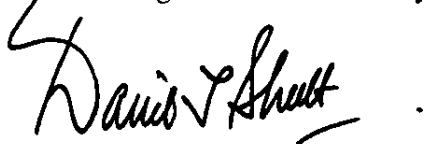
THE JOSEPH ROWNTREE REFORM TRUST LIMITED

COMPANY BALANCE SHEET

31 DECEMBER 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	9	10,537	5,448
Investments	10	25,425,256	21,127,194
		<u>25,435,793</u>	<u>21,132,642</u>
CURRENT ASSETS			
Debtors	11	1,889,486	1,905,069
Cash at bank and in hand		97,170	1,041,688
		<u>1,986,656</u>	<u>2,946,757</u>
CREDITORS: Amounts falling due within one year	12	<u>(29,614)</u>	<u>(23,741)</u>
NET CURRENT ASSETS		<u>1,957,042</u>	<u>2,923,016</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>27,392,835</u>	<u>24,055,658</u>
RESERVES			
Revaluation reserve	16	14,423,549	10,578,460
Trust capital account	16	4,606,760	4,606,760
Profit and loss account	16	8,362,526	8,870,438
MEMBERS' FUNDS		<u>27,392,835</u>	<u>24,055,658</u>

These financial statements were approved by the directors and authorised for issue on 26 March 2010, and are signed on their behalf by



David T Shutt (Lord Shutt of Greetland)
Director



Christopher J Greenfield
Director

Company Registration Number 357963

The notes on pages 11 to 20 form part of these financial statements

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and financial instruments

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a group cash flow statement in the financial statements on the grounds that the company is small.

Turnover

Turnover represents investment income, interest receivable from short term loans, cash deposits and income from property.

Fixed assets

All fixed assets are initially recorded at cost.
Tangible fixed assets are stated at cost less depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment - Straight line over 5 years

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES (*continued*)

Investment properties

Investment properties are shown at their open market value in accordance with SSAP 19 Accounting for Investment Properties. Changes in the market value of such properties arising from the annual revaluation are transferred to an investment revaluation reserve except where a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

No depreciation is provided on investment properties, which is a departure from the requirements of the Companies Act 2006. In the opinion of the directors these properties are held primarily for their investment potential and so their current value is of more significance than any measure of consumption, and to depreciate them would not give a true and fair view. The provisions of SSAP 19 have therefore been adopted in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified and the amount which might otherwise have been shown cannot be separately identified or quantified.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Financial instruments

a) Investments

All investments are initially recorded at cost, being the fair value of the consideration given and including acquisition costs associated with the investment. All purchases and sales of investments are recognised using trade date accounting.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the profit and loss account. Gains or losses on available-for-sale investments are recognised as a separate component of capital until the investment is disposed of or until its value is impaired, at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account.

Investments are fair valued using quoted market prices, independent appraisals, discounted cash flow analysis or other appropriate valuation models at the balance sheet date.

b) Trade and other debtors

Trade and other debtors are recognised and carried forward at invoiced amounts less provisions for any doubtful debts. Bad debts are written off when identified.

c) Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES *(continued)*

Investments

Listed investments are stated at market value with the resulting difference between cost and market value transferred to the revaluation reserve annually. Where a fall in value to below cost occurs, then the deficit is taken to the profit and loss account if the diminution is considered permanent. Unlisted investments are accounted for on the same basis where a market value is readily available. Where no market value is available the investment is valued at cost, with an annual review by the directors for any permanent diminution in value.

Grants and trust projects

Grants and trust projects are included in the accounts when the expenditure has been incurred. Amounts authorised by the directors to which no binding commitments are made are noted in the directors' report.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	2009	2008
	£	£
Investment income	709,779	704,435
Interest receivable	16,126	113,602
Property rental income	448,651	595,091
Other income	440	370
	<u>1,174,996</u>	<u>1,413,498</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2009	2008
	£	£
Depreciation of owned fixed assets	3,490	3,998
Auditor's remuneration		
- as auditor	5,125	4,950
- for other services	<u>7,053</u>	<u>7,242</u>

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2009	2008
	No	No
Directors	8	8
Administration	3	3
	<u>11</u>	<u>11</u>

The aggregate payroll costs of the above were

	2009	2008
	£	£
Wages and salaries	120,945	123,733
Social security costs	13,936	10,152
Other pension costs	20,198	17,532
	<u>155,079</u>	<u>151,417</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2009	2008
	£	£
Emoluments receivable	<u>40,131</u>	<u>8,721</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Interest payable on bank borrowing	<u>30</u>	<u>185</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009	2008
	£	£
Current tax		
UK Corporation tax based on the results for the year at 28% (2008 - 28.50%)	36,455	129,074
(Over)/under provision in prior year	(1,767)	(161)
Total current tax	<u>34,688</u>	<u>128,913</u>

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 28 50%)

	2009 £	2008 £
Loss on ordinary activities before taxation	(622,884)	(113,856)
Loss on ordinary activities by rate of tax	(174,415)	(32,448)
Non deductible expenses	406,247	218,173
Adjustments to previous periods	(1,767)	(161)
Dividends and distributions received	(194,522)	(195,924)
Chargeable disposals	12,363	146,163
Capital allowances	(3,987)	(2,629)
Depreciation add back	977	1,126
Marginal relief	(10,208)	(5,387)
Total current tax (note 7(a))	34,688	128,913

8. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £748,134 (2008 - £287,146)

9. TANGIBLE FIXED ASSETS

Group	Investment Properties £	Office Equipment £	Total £
COST OR VALUATION			
At 1 January 2009	6,000,000	35,048	6,035,048
Additions	—	8,579	8,579
Disposals	—	(9,101)	(9,101)
At 31 December 2009	6,000,000	34,526	6,034,526
DEPRECIATION			
At 1 January 2009	—	29,600	29,600
Charge for the year	—	3,490	3,490
On disposals	—	(9,101)	(9,101)
At 31 December 2009	—	23,989	23,989
NET BOOK VALUE			
At 31 December 2009	6,000,000	10,537	6,010,537
At 31 December 2008	6,000,000	5,448	6,005,448

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

9. TANGIBLE FIXED ASSETS *(continued)*

Company	Office Equipment £
COST OR VALUATION	
At 1 January 2009	33,357
Additions	8,579
Disposals	(7,410)
At 31 December 2009	<u>34,526</u>
DEPRECIATION	
At 1 January 2009	27,909
Charge for the year	3,490
On disposals	(7,410)
At 31 December 2009	<u>23,989</u>
NET BOOK VALUE	
At 31 December 2009	<u>10,537</u>
At 31 December 2008	<u>5,448</u>

The leasehold property at 303/323 Kings Road was valued by the directors on 31 December 2009 at £6,000,000 on the basis of Open Market Value. The historic cost of this property to the group is £2,462,854.

Should all the properties, held at the year end, be sold at the carrying values in the accounts a tax charge of £578,477 (2008 £604,149) would result.

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

10. INVESTMENTS

Group

	Unlisted Investments	Listed Investments	Total
	£	£	£
COST OR VALUATION			
At 1 January 2009	2,699,450	18,517,244	21,216,694
Additions	-	1,804,268	1,804,268
Disposals	-	(1,591,517)	(1,591,517)
Revaluations	-	4,085,311	4,085,311
At 31 December 2009	<u>2,699,450</u>	<u>22,815,306</u>	<u>25,514,756</u>
AMOUNTS WRITTEN OFF			
At 1 January 2009 and 31 December 2009	<u>(94,500)</u>	<u>-</u>	<u>(94,500)</u>
NET BOOK VALUE			
At 31 December 2009	<u>2,604,950</u>	<u>22,815,306</u>	<u>25,420,256</u>
At 31 December 2008	<u>2,604,950</u>	<u>18,517,244</u>	<u>21,122,194</u>

Subsidiary undertakings

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
All held by the company				
JRRT (Properties) Limited	England	Ordinary shares	100%	Property Letting
JRRT (Investments) Limited	England	Ordinary shares	100%	Dormant

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

10. INVESTMENTS *(continued)*

Company	Shares in Group Undertakings £	Unlisted Investments £	Listed Investments £	Total £
COST OR VALUATION				
At 1 January 2009	5,000	2,604,950	18,517,244	21,127,194
Additions	-	-	1,804,268	1,804,268
Disposals	-	-	(1,591,517)	(1,591,517)
Revaluations	-	-	4,085,311	4,085,311
At 31 December 2009	<u>5,000</u>	<u>2,604,950</u>	<u>22,815,306</u>	<u>25,425,256</u>
NET BOOK VALUE				
At 31 December 2009	<u>5,000</u>	<u>2,604,950</u>	<u>22,815,306</u>	<u>25,425,256</u>
At 31 December 2008	<u>5,000</u>	<u>2,604,950</u>	<u>18,517,244</u>	<u>21,127,194</u>

The historic cost of listed investments is £9,441,138 (2008 £8,988,165) and unlisted investments is £1,555,570 (2008 £1,555,570). Unlisted investments are included at market value where a market price is readily available. The remaining unlisted investments are reviewed annually by the directors. The carrying value of unlisted investments at 31 December 2009, where no market value is readily available amounts to £4,950 (2008 £4,950).

The tax charge, should all the investments be sold at the above values, would be £2,977,230 (2008 £2,114,758).

Capital Commitment

The company has a commitment to pay £100,000 for shares in visionOnTV, an unlisted company. There is no fixed date for the payment.

11. DEBTORS

	Group		Company	
	2009 £	2008 £	2009 £	2008 £
Trade debtors	45,163	121,372	-	-
Amounts owed by group undertakings	131,546	176,143	1,781,771	1,892,335
Other debtors	107,715	13,105	107,715	12,734
	<u>284,424</u>	<u>310,620</u>	<u>1,889,486</u>	<u>1,905,069</u>

Amounts owed by related undertakings relates to a loan of £131,546 (2008 - £176,143) in respect of JRSST Charitable Trust which is an associated charity.

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NOTES TO THE FINANCIAL STATEMENTS

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12. CREDITORS: Amounts falling due within one year

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Amounts owed to group undertakings	–	–	5,000	5,000
Other creditors including taxation				
Corporation tax	36,455	129,074	–	–
VAT	20,947	17,214	–	–
Other creditors	143,718	168,338	24,614	18,741
	<u>201,120</u>	<u>314,626</u>	<u>29,614</u>	<u>23,741</u>

13. PENSIONS

The company operates a defined benefit pension scheme

The assets of the defined benefit scheme are held separately from those of the company, being invested in the SCVO Final Salary Pension Scheme administered by The Pension Trust for Charities and Voluntary Organisations. It is a multi-employer scheme, therefore it is not possible to identify the company's share of the underlying assets and liabilities of the scheme.

The last actuarial report of the scheme showed that the scheme was in deficit at 30 September 2008 to the extent of £20.4 million. The main financial assumptions used in the actuarial valuation are an inflation rate of 3.2%, a rate of salary increases of 4.2%, a rate of pension increases of 2.3%, investment return on future contributions of 6.8% and an investment return on accumulated assets of 4.6%.

The standard rate of contributions for members was increased to 7.5% of pensionable earnings with effect from October 2007.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

The group monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

The group has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

15. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, having no share capital. Each member is liable to contribute a sum not exceeding 50p in the event of the company being wound up while they are members or within one year thereafter. The number of members is declared not to exceed twenty.

THE JOSEPH ROWNTREE REFORM TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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16. RESERVES

Group	Revaluation reserve £	Trust capital account £	Profit and loss account £
Balance brought forward	14,115,612	4,606,760	9,532,927
Loss for the year	—	—	(657,572)
Other gains and losses			
- Revaluation of fixed assets	4,085,311	—	—
Other movements			
- transfer to/from revaluation reserve	(240,222)	—	240,222
Balance carried forward	<u>17,960,701</u>	<u>4,606,760</u>	<u>9,115,577</u>
Company	Revaluation reserve £	Trust capital account £	Profit and loss account £
Balance brought forward	10,578,460	4,606,760	8,870,438
Loss for the year	—	—	(748,134)
Other gains and losses			
- Revaluation of fixed assets	4,085,311	—	—
Other movements			
- transfer to/from revaluation reserve	(240,222)	—	240,222
Balance carried forward	<u>14,423,549</u>	<u>4,606,760</u>	<u>8,362,526</u>