

**The Melanie White
Foundation
Limited**

**Annual Report and Financial
Statements**

5 April 2011

Company Limited by Guarantee
Registration Number
03750780 (England and Wales)

Charity Registration Number
1077150

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Reference and administrative information

Directors	Mrs M White Mr A White
Company secretary	Boodle Hatfield Secretarial Limited 89 New Bond Street London W1S 1DA
Registered office	89 New Bond Street London W1S 1DA
Company registration number	03750780 (England and Wales)
Charity registration number	1077150
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	C Hoare and Co 37 Fleet Street London EC4P 4DQ Barclays Wealth Private Bank 1 Churchill Place Canary Wharf London E14 5HP
Investment managers	Citibank, N A Citigroup Centre Canada Square Canary Wharf London E14 5LB
Solicitors	Boodle Hatfield 89 New Bond Street London W1S 1DA

Directors' report Year ended 5 April 2011

The directors present their statutory report together with the financial statements of The Melanie White Foundation Limited for the year ended 5 April 2011

This report has been prepared in accordance with Part VI of the Charities Act 1993

The financial statements have been prepared in accordance with the accounting policies set out on page 11 of the attached financial statements and comply with the Memorandum and Articles of Association of The Melanie White Foundation Limited, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

The Melanie White Foundation Limited is a company limited by guarantee (Registration Number 03750780) and a registered charity (Registration Number 1077150)

Directors

The names of the directors who served during the period are set out as part of the reference and administrative information on page 1 of these Annual Report and Financial Statements

The Articles of Association require a minimum of two directors and a maximum of seven. Directors may co-opt any person duly qualified to fill a vacancy in their number or as an additional director. Co-opted directors hold office only until the next Annual General Meeting. Decisions on investments and donations are taken by all directors.

Directors' responsibilities statement

The charitable company's directors (who are also trustees of the Foundation for the purposes of charity law) are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements which give a true and fair view of the state of affairs of The Melanie White Foundation Limited at the year end and of its incoming resources and application of resources, including its income and expenditure, for the financial year then ended. In preparing these financial statements, the directors are required to

- ◆ select suitable accounting policies and then apply them consistently,
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP),
- ◆ make judgements and estimates that are reasonable and prudent,
- ◆ state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Directors' responsibilities statement (continued)

- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The directors are responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. The directors 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.

Each of the directors confirms that

- ♦ so far as the director is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- ♦ the director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Risk management

The directors have identified the major risks to which the charity is exposed and remain confident that they have in place systems and procedures to mitigate the risks. They feel that the main risk to which the charity is exposed is the protection of assets and income. The income of the charity is mainly derived from the portfolio of investments held within the charity. The directors monitor the performance of the investments and regularly review their investment policy, meeting on a quarterly basis to consider the investment yields and capital growth.

OBJECTIVES, ACTIVITIES AND RELEVANT POLICIES

Charitable objectives and activities

The charity's principal activity is its grant-making programme. In accordance with its Articles of Association the charity is to promote any charitable purpose or support any charity selected by the directors. It is expressly contemplated that CLIC Sargent may be a beneficiary of the charity. The directors seek through their grant-making programme to support charitable projects in areas identified as being of particular interest to them. These areas include health, medicine, and social welfare. The directors do not anticipate any changes to their grant making priorities.

Charitable objectives and activities (continued)

The directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year. Whilst the directors are mindful of their own obligation to ensure that the charity benefits the public generally, they take some assurance from the fact that recipients of grants are themselves regulated to ensure that they operate for the public benefit.

Grant making policy

Potential recipients of grants are identified by the directors individually, in areas where it is perceived that public benefit will be achieved. The opportunity to benefit is not restricted in any way except that grants are principally made to charitable organisations within the UK, not least to facilitate the directors being able to follow up on efficacy of the grants made.

Investment policy

The investment strategy is set by the directors, who consider the charity's income requirements, the risk profile and the view of economic and market conditions. The investment objectives are to obtain a balanced return from both capital growth and income. The directors meet on a regular basis to consider the charity's portfolio and investment performance.

ACHIEVEMENTS AND PERFORMANCE

Achievements

During the year ended 5 April 2011, grants payable amounted to £347,530 (2010 - £242,228). Details of grants are in Note 4 to the accounts.

Significant grants awarded during the year were as follows:

CLIC Sargent - £328,070

The directors continue to support CLIC Sargent in recognition of the formidable work they carry out for children with cancer. In providing clinical, practical and emotional support, CLIC Sargent aim to help as many children and young people as possible survive cancer and make the most of their lives as well as helping the whole family cope with the trauma of cancer.

Paul Lawrie Foundation - £3,250

The directors recognise the importance of young people having the opportunity to become involved in sport and being able to develop to reach their potential. The Paul Lawrie Foundation allows young people to access golf and football, compete and improve their capabilities to the highest level.

Investment performance

There were various acquisitions and disposals on investments made during the year. The unrealised gain on investments for the year ended 5 April 2011 was £516,882 (2010 - £1,650,884) and the realised loss on disposals was £26,115 (2010 - loss of £203). Investments yielded income of £263,079 (2010 - £312,478) during the year. The directors consider investment performance to be in line with market conditions. The interest received during the year on cash held in short term deposit accounts was £2,037 (2010 - £509).

FINANCIAL REVIEW

Results for the period

During the year ended 5 April 2011, the unrestricted funds generated income of £267,186 (2010 - £312,987), mainly from investments, and incurred expenditure of £350,089 (2010 - £244,855) of which more than 95% related to charitable expenditure. This resulted in net outgoing resources of £82,903 (2010 - incoming resources £68,132) giving a balance of £5,972 (2010 - £88,875) on unrestricted funds at the year end. The expendable endowment fund amounted to £10,478,545 (2010 - £9,987,778), following net unrealised investment gains of £516,882.

Reserves policy and financial position

As at 5 April 2011 reserves of £10,484,517 were carried forward in accordance with the directors' policy on reserves. The policy is to expend the income generated by the endowment fund to the fullest extent possible, in as much that the directors are able to identify suitable recipients during the year. The endowment will be invested with the intent to, as far as possible, retain its capital value and produce an annual income.

FUTURE PLANS

The directors are satisfied with their grant making policy and it is their intention to support a wide and varied number of charities and to continue their support of CLIC Sargent.

Approved by the directors
and signed on their behalf by



ANDREW WHITE

Director

Approved on 30th November 2011

The Melanie White Foundation Limited
Company Registration Number 03750780 (England and Wales)

Independent auditor's report to the directors of The Melanie White Foundation Limited

We have audited the financial statements of The Melanie White Foundation Limited for the year ended 5 April 2011 which comprise the statement of financial activities, the balance sheet, the principal accounting policies 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 charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are also the trustees of the charitable company for the purposes of charity law. As explained more fully in the directors' responsibilities statement set out in the directors' report, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- ◆ give a true and fair view of the state of the charitable company's affairs as at 5 April 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,

Opinion on financial statements (continued)

- ◆ 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

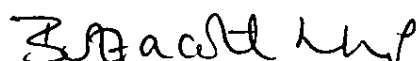
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- ◆ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- ◆ the 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



Katharine Patel, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

7 December 2011

Statement of financial activities **Year ended 5 April 2011**

	Notes	Unrestricted funds £	Expendable endowment £	Total 2011 £	Total 2010 £
Income and expenditure					
Incoming resources					
Incoming resources					
Voluntary income	1	2,070	-	2,070	-
Investment income	2	263,079	-	263,079	312,478
Interest receivable	3	2,037	-	2,037	509
Total incoming resources		267,186	-	267,186	312,987
Resources expended					
Charitable activities					
Promoting and enhancing charitable work	4	347,530	-	347,530	242,228
Governance costs	5	2,559	-	2,559	2,627
Total resources expended		350,089	-	350,089	244,855
Net outgoing (incoming) resources for the year		(82,903)	-	(82,903)	68,132
Net realised investment losses	8	-	(26,115)	(26,115)	(203)
Statement of total recognised gains and losses					
Net expenditure (income)		(82,903)	(26,115)	(109,018)	67,929
Net unrealised investment gains	8	-	516,882	516,882	1,650,884
Net movement in funds		(82,903)	490,767	407,864	1,718,813
Fund balances brought forward at 6 April 2010		88,875	9,987,778	10,076,653	8,357,840
Fund balances carried forward at 5 April 2011		5,972	10,478,545	10,484,517	10,076,653

Statement of financial activities **Year ended 5 April 2011**

	2011 £	2010 £
Historical cost net movement in funds		
Net movement in funds (page 8)	407,864	1,718,813
Unrealised gains on investments	(516,882)	(1,650,884)
Difference between historical cost realised gains and actual realised losses calculated on the revalued amounts	254,960	(2,511)
Historical cost net movement in funds	145,942	65,418
All of the charity's activities derived from continuing operations during the above two financial periods		

Balance sheet as at 5 April 2011

	Notes	2011 £	2011 £	2010 £	2010 £
Fixed assets					
Investments	8		10,140,278		9,772,340
Current assets					
Debtors	9	26,023		5,279	
Cash at bank and in hand	10	620,556		351,266	
		646,579		356,545	
Creditors amounts falling due within one year	11	(302,340)		(52,232)	
Net current assets			344,239		167,121
Total net assets			10,484,517		10,076,653
Represented by					
<i>Capital funds</i>					
Expendable endowment fund			10,478,545		9,987,778
<i>Income funds</i>					
Unrestricted funds – general fund			5,972		88,875
			10,484,517		10,076,653

Approved by the directors
and signed on their behalf by



Director
ANDREW WHITE
Approved on 30th November 2011

The Melanie White Foundation Limited
Company Registration Number 03750780 (England and Wales)

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value and in accordance with the requirements of the Companies Act 2006 Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice on "Accounting and Reporting by Charities" (SORP 2005) have been followed in the preparation of these financial statements

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty

Resources expended

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered

Resources expended comprise the following

- a Charitable activities comprise grants payable Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions Grants approved but not paid at the end of the financial year are accrued for Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the financial statements
- b Governance costs include costs which are directly attributable to the organisational procedures and the necessary procedures for compliance with constitutional and statutory requirements

Fixed asset investments

Fixed asset investments are included on the balance sheet at their market value at the end of the financial period Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the period in which they arise

Fund accounting

The unrestricted funds represent funds available for the general charitable purposes of the charity at the discretion of the directors

The expendable endowment fund represents monies retained as capital in accordance with the donor's wishes

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'

Notes to the financial statements 5 April 2011

1 Voluntary income

	2011 £	2010 £
Donations	2,070	-

2 Investment income

	2011 £	2010 £
Investment management fee rebates	26,194	20,011
Investments listed on a recognised stock exchange		
Dividends – UK unit trusts	52,082	54,700
Dividends – UK OEIC	2,355	-
Interest – UK fixed interest securities	17,482	17,433
Interest – UK unit trusts	121,266	137,741
Interest – European fixed interest security	43,700	82,593
	263,079	312,478

3 Interest receivable

	2011 £	2010 £
Short term deposits	2,037	509

4 Promoting and enhancing charitable work

	2011 £	2010 £
Grants payable		
A Team Foundation	-	2,500
Alzheimers Research Trust	-	500
The Amber Foundation	2,000	-
Black Knight Foundation	6,660	-
Bowel Cancer Research Fund	500	-
Breakthrough Breast Cancer	-	100
CLIC Sargent	328,070	234,858
The Guards Museum	-	1,000
Help for Heroes	-	500
MND Association	100	-
Molly's Fund	300	-
Multiple Sclerosis Society	-	2,000
Paul Laune Foundation	3,250	520
Right to Play	50	-
The Rocking Horse	100	-
Royal Marsden Hospital	4,000	-
Shooting Stars Children's Hospice	1,500	250
St Andrew's Club	500	-
Trinity Hospice	500	-
	347,530	242,228

5 Governance costs

	2011 £	2010 £
Auditor's remuneration		
Audit services	2,340	2,232
Non audit services	-	345
Miscellaneous costs	219	50
	2,559	2,627

6 Staff costs and directors' remuneration

The charity employed no staff during the year (2010 – none)

No director received any remuneration in respect of their services as a director during the year (2010 – none)

No directors were reimbursed for any expenditure incurred in the performance of their duties during the year (2010 - none)

7 Taxation

The Melanie White Foundation Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities

8 Investments

Movements in listed investments during the year were as follows

	2011 £	2010 £
Market value of listed investments at 6 April 2010	9,772,340	8,123,614
Additions at cost	2,899,269	-
Disposals at book value (proceeds £3,022,098, realised losses £26,115)	(3,048,213)	(2,158)
Net unrealised gains in the year	516,882	1,650,884
Market value of listed investments at 5 April 2011	10,140,278	9,772,340
Cost of listed investments at 5 April 2011	9,087,930	8,981,914

All listed investments were dealt in on a recognised stock exchange

8. Investments (continued)

The following listed investments comprise more than 5% of the value of the investment portfolio

	2011 £	2010 £
Thesis Thameside Managed Fund Income Units	4,900,153	3,982,079
Invesco Perpetual Corporate Bond Income Units	-	2,010,591
Invesco Perpetual Tactical Bond Income Shares	519,464	-
Invesco Perpetual UK Strategic Income Units	996,213	-
M&G Global Dividend Star Fund	718,635	-
Ventas Global Equity Income	727,216	-
4 75% European Investment Bank 2012	955,420	980,536
4 375% Kredit Wiederaufbau Notes 2011	-	919,137
Sofaer National Resources Series A	-	602,351

The geographical split of the investments is as follows

	2011 £	2010 £
Investment assets in the UK	9,184,858	7,872,667
Investment assets outside the UK	955,420	1,899,673
	10,140,278	9,772,340

9 Debtors

	2011 £	2010 £
Due within one year		
Income tax repayment	24,253	1,469
Investment management fee rebate	1,770	3,810
	26,023	5,279

10 Cash

	2011 £	2010 £
C Hoare & Co	444,446	-
Barclays Private Bank	60,301	222,056
Citibank	115,810	129,210
	620,556	351,266

11 Creditors: amounts falling due within one year

	2011 £	2010 £
Accruals	2,340	2,232
Grant creditor – CLIC Sargent	300,000	50,000
	302,340	52,232

12 Related party transactions

Transactions with related family charities were as follows

	2011 £	2010 £
Grants payable to The A Team Foundation Limited	-	2,500
Donation received from The A Team Foundation Limited	2,000	-

Mr Benjamin Arbib, Mrs Melanie White's brother, is a trustee of The A Team Foundation Limited, a registered charity

13 Analysis of net assets between funds

	Expendable endowment £	Unrestricted funds £	Total 2011 £
Fund balances at 5 April 2011 are represented by			
Investments	10,140,278	-	10,140,278
Debtors	-	26,023	26,023
Cash	338,267	282,289	620,556
Creditors amounts falling due within one year	-	(302,340)	(302,340)
Total net assets	10,478,545	5,972	10,484,517
Unrealised gains included above on investments (see below)			1,052,348
Reconciliation of movements in unrealised gains on investments			
Unrealised gains at 6 April 2010			790,426
Net unrealised gains in year			516,882
On disposals in year			(254,960)
Unrealised gains at 5 April 2011			1,052,348