

**PEMBROKE COLLEGE MISSION
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2012**

PEMBROKE COLLEGE MISSION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Sir Richard Dearlove KCMG
Dr Tim Forse
Dr Loraine Gelsthorpe
Mr Michael Kuczynski
Mr Sam Fleming
The Rev'd Canon Brian Watchorn
Rear Admiral Alastair Ross
Miss Eleanor Goodison
The Rev'd Dr James Gardom
Dr Richard Gibbs
Mr Michael Mitchell
Mr Andrew Morris
Mr John Nevin

Charity number

211025

Principal address

80 Tatum Street
Walworth
London
SE17 1QR

Independent examiner

Noel and Co Chartered Accountants
4, Parliament Close, Prestwood
Great Missenden
Buckinghamshire
HP16 9DT

PEMBROKE COLLEGE MISSION

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PEMBROKE COLLEGE MISSION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2012

The trustees present their report and accounts for the year ended 31 July 2012.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Charities Act 1993 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity was established in 1885, under the Rules of Mission (as amended on 25th February 1994). The charity's objects are to:-

- a) promote Christianity through its connection with Pembroke College, Cambridge in accordance with the principles of the Church of England
- b) advance education and provide facilities for social welfare and leisure activities at the South London premises of the charity.

The trustees who served during the year were:

Sir Richard Dearlove KCMG

Dr Tim Forse

Dr Loraine Gelsthorpe

Mr Michael Kuczynski

Mr Sam Fleming

The Rev'd Canon Brian Watchorn

Rear Admiral Alastair Ross

Miss Eleanor Goodison

The Rev'd Dr James Gardom

Dr Richard Gibbs

Mr Michael Mitchell

Mr Andrew Morris

Mr John Nevin

Structure of organisation

The Executive Committee of Trustees has overall responsibility for the activities of the charity. The Trustees delegate the day-to-day management of the Charity to the Warden, who remains accountable to the Trustees in all matters. The Executive Committee meets four times a year; smaller sub-groups meet more frequently if required. The Pembroke House Youth Club and the Pembroke Academy of Music (PAM) each have Management Committees composed of the project Director, the Warden, local stakeholders and people with related expertise. The Executive Committee receives written reports each quarter from each project lead, and follows up those reports as appropriate.

In September 2010 the Reverend David Evans took up the post of Warden.

St Christopher's Church fulfils the Christian objectives with which Pembroke College Mission was established and is integral to the life of Pembroke House. The Vicar of the Parish is also Warden of Pembroke House, and the post of Vicar is funded by the Church of England Diocese of Southwark. Projects run at Pembroke House are intended to advance education and social welfare for local residents irrespective of all faiths and none.

PEMBROKE COLLEGE MISSION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

Risk Management

The Staff Handbook containing all policies and procedures. A Risk Register identifies major risks. Financial risks are monitored by the Trustee responsible for the accounts, and are reported to the Trustees' meetings. On and off site activities are assessed for risk on an individual basis, and all staff and volunteers are checked with the Criminal Records Bureau.

Context and Need

According to research carried out by the Church Urban Fund this year: 'On the overall deprivation scale, where 1 is the least deprived in the country, this parish ranks 12019 out of 12706 parishes in England. This means that the parish is among the most deprived in the country.

'The most significant poverty-related issue in this parish is the relatively high rate of lone parenthood. The next most significant issue is the relatively high rate of pensioner poverty.

' Child poverty, pensioner poverty, working age poverty and lone parenthood in this parish are amongst the highest in the country. Male life expectancy in this parish is amongst the lowest nationally. Female life expectancy and qualification levels in this parish are lower than average compared with other parishes nationally'.

Objectives and review of activities

In 2011 the Trustees approved a Five Year Plan for Pembroke House. The Plan states that we will be driven by the need we identify in the local community, and consistently work to understand that need. We will act as bridge; a bridge between the local community and the specialist providers available to support them; a bridge between different communities, including the community of Pembroke College, Cambridge; a bridge from within the community to without.

Pembroke House continues to run a number of projects and host others run by specialist providers; we use our networks, our skills and resources to support the latter, so they become partners rather than just tenants. In April Southwark Council ceased to fund our Youth Club; the work of the club has continued with the financial support of several Charities, to whom we are most grateful. Pembroke Academy of Music is going from strength to strength, the Lunch Club remains vigorous and the Community Garden has a wonderful way of bringing together disparate people.

The trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Financial review

The accounts show an encouraging financial position for the year with net incoming resources of £43,892 (2011:£50,028 net outgoing resources). These figures are a tribute to many Charitable Trusts and Members of Pembroke College Cambridge, who have been most generous and supportive. They also reflect the fact that our financial year is out of sync with some of our donors', so a Trust making a donation at the end of April for the following twelve months will see the entire sum counted within our own financial year ending 31 July. Also, 2011 saw us selling assets to pay for the remainder of the refurbishment of Pembroke House, which of course counted as outgoing resources. We continue to work to reduce our core costs, and in these difficult financial times we operate a very tight ship.

The decline in Salaries and Staff costs reflects the closure of the Young Visions project during the course of the financial year 2010/11, and the several month vacancy after the departure of the Centre Manager in December 2011.

Note that the accounts suffer a non-cash charge (depreciation) of more than £40,000 every year so as to spread the cost of the refurbishment over its estimated useful life.

PEMBROKE COLLEGE MISSION

TRUSTEES' REPORT (CONTINUED) *FOR THE YEAR ENDED 31 JULY 2012*

Restricted and Designated Funds

With the conclusion of the refurbishment the Trustees have undertaken a review of the various Restricted and Designated Funds. No changes are proposed to the treatment of Restricted Funds. Within Designated Funds, the Development Fund has been concluded, the Houses Fund has been renamed Future Capital Repairs Fund and a Contingency Fund has been created. Each Fund has been set at £75,000. The Capital Repairs Fund will cover costs in addition to normal running repairs, which can be reasonably expected to be needed in Pembroke House and residential properties over the next three years. The Contingency Fund will ensure that Pembroke House will be able to continue the charity's current activities in the event of a significant drop in funding, while attention is given to raising additional funds. The Trustees consider these changes to be appropriate and prudent to meet the challenge of sustaining the charity in the medium term.

Plans for the future

We will continue to seek out and run exciting projects that make a difference to the people we seek to serve. We are setting up a movement project for young people with learning disabilities and we will be welcoming the Choir with No Name, for people who are or have been homeless. The Trustees have commissioned a quinquennial survey of the Residency, which was not refurbished at the same time as Pembroke House, and will act on its findings. Youth Club will cease to exist in its present format at the end of December 2012; the Warden and Trustees have affirmed their commitment to work with children and young people, and to that end are looking for partner organisations.

On behalf of the board of trustees

The Rev'd Dr James Gardom

Dated: 14 December 2012

PEMBROKE COLLEGE MISSION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PEMBROKE COLLEGE MISSION

We report on the accounts of the charity for the year ended 31 July 2012, which are set out on pages 5 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is our responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention.

It is our responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

- (a) which gives us reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met; or
- (b) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Noel and Co Chartered Accountants

4, Parliament Close, Prestwood
Great Missenden
Buckinghamshire
HP16 9DT

Dated: 14 December 2012

PEMBROKE COLLEGE MISSION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2012

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2/3	24,897	1,450	118,851	145,198	115,273
Investment income		9,134	-	-	9,134	2,019
Incoming resources from charitable activities						
Rents		64,820	-	-	64,820	52,402
Total incoming resources		98,851	1,450	118,851	219,152	169,694
Resources expended						
Charitable activities		59,731	-	117,727	177,458	230,794
Governance costs		1,800	-	-	1,800	3,000
Total resources expended	4	61,531	-	117,727	179,258	233,794
Net incoming/(outgoing) resources before transfers		37,320	1,450	1,124	39,894	(64,100)
Transfers between funds		48,890	(48,890)	-	-	-
Net incoming/(outgoing) resources		86,210	(47,440)	1,124	39,894	(64,100)
Realised losses on disposals of investments		-	-	-	-	(11,645)
Unrealised gain on revaluation of investments		3,998	-	-	3,998	25,717
Net movement in funds		90,208	(47,440)	1,124	43,892	(50,028)
Fund balances at 1 August 2011		14,472	197,440	1,509,027	1,720,939	1,770,967
Fund balances at 31 July 2012		104,680	150,000	1,510,151	1,764,831	1,720,939

PEMBROKE COLLEGE MISSION

BALANCE SHEET AS AT 31 JULY 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	7	1,470,266		1,518,700	
Investments	8	143,298		139,300	
		<u>1,613,564</u>		<u>1,658,000</u>	
Current assets					
Debtors	9	12,382		8,509	
Cash at bank and in hand		149,799		117,145	
		<u>162,181</u>		<u>125,654</u>	
Creditors: amounts falling due within one year	10	<u>(10,914)</u>		<u>(62,715)</u>	
Net current assets		<u>151,267</u>		<u>62,939</u>	
Total assets less current liabilities		<u><u>1,764,831</u></u>		<u><u>1,720,939</u></u>	
Income funds					
Restricted funds	11	1,510,151		1,509,027	
Unrestricted funds:					
Designated funds	12	150,000		197,440	
Other charitable funds		104,680		14,472	
		<u>1,764,831</u>		<u>1,720,939</u>	

The accounts were approved by the Trustees on 14 December 2012

Sir Richard Dearlove KCMG

The Rev'd Dr James Gardom

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2012

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 2011.

1.2 Incoming resources

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable or receivable, whichever is the earlier.

Grants are credited to the statement of financial activities when received or receivable, whichever is earlier.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings

Fixtures, fittings & equipment

Building costs over 50 years.

20% straight line

The costs of the boiler house are being depreciated over 15 years, the estimated useful life of the asset.

1.4 Investments

Fixed asset investments are stated at market value.

1.5 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

2 Voluntary income

	Designated & Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Donations and gifts	26,347	30,305	56,652	56,206
Grants	-	88,546	88,546	59,067
	26,347	118,851	145,198	115,273
	26,347	118,851	145,198	115,273

Unrestricted funds and designated funds

Pembroke College Cambridge College Members	17,680	17,252
Pembroke College Cambridge Members - Appeal Fund (Note 1)	3,217	-
Wates Foundation for core costs	3,500	-
Buiding repairs fund	1,450	7,500
Other	500	6,019
	26,347	30,771
	26,347	30,771

Restricted funds

Individual anonymous donation for children and young people	10,000	-
Donations and contributions:Pembroke Academy of Music	9,478	9,951
Pembroke College donors: Pembroke Academy of Music	8,228	9,491
Donations and contributions:Community Projects	2,599	-
Appeal Fund	-	3,993
Hon James Henderson Charity Boxing-Appeal Fund	-	2,000
	30,305	25,435
	30,305	25,435

Note 1

With the conclusion of the refurbishment the donations for the appeal fund have been allocated to the general purposes of the charity.

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

3 Voluntary income grants: Restricted Funds

	Total 2012 £	Total 2011 £
Youth Club		
London Borough of Southwark	30,433	34,000
Charterhouse-in-Southwark	5,000	-
Dixie Rose Findlay Charitable Trust	2,000	-
Heygate TRA	600	-
Carr-Gregory Trust	500	-
Other	624	3,067
Youth Summer Scheme		
Charterhouse-in-Southwark	7,850	-
Young Visions		
The Drapers' Company	-	15,000
Pembroke Academy of Music		
John Lewis Partnership	2,000	-
Garrick Club	7,000	-
United St Saviours	4,500	-
Craigmyle Charitable Trust	5,000	-
Charterhouse Southwark	5,000	-
Carr-Gregory Trust	2,000	-
London Borough of Southwark	-	1,000
Other	-	2,000
Community Projects		
Near Neighbours	5,000	-
Peter Minet Trust	3,000	-
Trinity College (Arts Award)	1,160	-
Peabody Trust	1,400	-
Capital Jubilee Fund: Westminster Foundation	980	-
United St Saviours (for Lunch Club)	3,849	-
Heygate TRA	600	-
Other	50	-
Other		
Slaughter & May social mobility project	-	4,000
	88,546	59,067

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

4 Total resources expended

	Youth activities £	Community projects £	Pembroke Academy £	Restricted fixed assets £	Mission - general £	Total 2012 £	Total 2011 £
Salaries and staff costs	18,544	2,768	16,721	-	36,205	74,238	101,558
Project & support costs	10,498	4,503	990	-	-	15,991	23,592
Insurance	-	-	-	-	5,402	5,402	4,839
Premises/property costs	-	-	-	-	23,466	23,466	43,993
Depreciation Building	-	-	-	41,116	-	41,116	41,116
Depreciation equipment	-	-	-	6,789	1,336	8,125	8,050
Office costs	40	-	-	-	9,080	9,120	7,646
Independent Examination	-	-	-	-	1,800	1,800	3,000
Reallocations	11,103	-	4,655	-	(15,758)	-	-
	40,185	7,271	22,366	47,905	61,531	179,258	233,794

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

5 Trustees

During the year no Trustee received any re-imbusement for travel costs.

6 Employees

Number of employees

The average monthly number of employees during the year was:

	2012	2011
	Number	Number
Administration and finance	1	1
Project staff	2	3
	<hr/> 3 <hr/>	<hr/> 4 <hr/>
Wages and salaries	53,665	80,804
Social security costs	3,493	6,682
	<hr/> 57,158 <hr/>	<hr/> 87,486 <hr/>

There were no employees whose annual emoluments were £50,000 or more.

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

7 Tangible fixed assets

	Land and buildings £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 August 2011	1,597,346	46,070	1,643,416
Additions	-	807	807
At 31 July 2012	1,597,346	46,877	1,644,223
Depreciation			
At 1 August 2011	(104,643)	20,073	124,716
Charge for the year	(41,116)	8,125	49,241
At 31 July 2012	(145,759)	28,198	173,957
Net book value			
At 31 July 2012	1,451,587	18,679	1,470,266
At 31 July 2011	1,492,703	25,997	1,518,700

8 Fixed asset investments

	£
Market value at 1 August 2011	139,300
Disposals at cost	-
Change in value in the year	3,998
Market value at 31 July 2012	143,298
Historical cost:	
At 31 July 2012	113,583
At 31 July 2011	113,583

The investments are held in units, forming part of the Pembroke College Cambridge Investment Trust Fund.

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

9 Debtors	2012	2011
	£	£
Trade debtors	1,190	8,500
Sundry debtors	11,192	9
	<hr/>	<hr/>
	12,382	8,509
	<hr/> <hr/>	<hr/> <hr/>
10 Creditors: amounts falling due within one year	2012	2011
	£	£
Trade creditors	3,085	-
Taxes and social security costs	1,368	1,642
Accruals	6,461	61,073
	<hr/>	<hr/>
	10,914	62,715
	<hr/> <hr/>	<hr/> <hr/>

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 August 2011	Incoming resources	Resources expended	Transfers between funds	Balance at 31 July 2012
	£	£	£	£	£
Youth summer scheme	-	7,850	(160)	-	7,690
Pembroke Academy of Music	-	43,206	(22,366)	-	20,840
Youth Club	-	49,157	(40,025)	-	9,132
Community projects	-	18,638	(7,271)	-	11,367
Buildings and assets	1,505,027	-	(47,905)	-	1,457,122
Social mobility project	4,000	-	-	-	4,000
	<u>1,509,027</u>	<u>118,851</u>	<u>(117,727)</u>	<u>-</u>	<u>1,510,151</u>

Description of Restricted funds

The Youth summer scheme provides activities for young people in the summer holidays.

Pembroke Academy of Music - this fund is to encourage young people to participate in musical activities.

Youth Club - this fund is to advance education and provide facilities for social welfare and leisure activities at the South London premises of the charity.

Community projects include activities such as the lunch club and the garden.

Social mobility project - this fund is to be used for a research study on social mobility

Buildings and assets are grants and donations received during the re-development of the Centre and Church buildings for those specific purposes. This fund is being depreciated over the estimated useful life of the assets.

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2012

12 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Balance at 31 July 2012
	Balance at 1 August 2011	Incoming resources	Transfers between funds	
	£	£	£	£
Development Fund	155,411	-	(155,411)	-
Future Capital Repairs Fund (formerly Houses Fund)	42,029	1,450	31,521	75,000
Contingency Fund	-	-	75,000	75,000
	<u>197,440</u>	<u>1,450</u>	<u>(48,890)</u>	<u>150,000</u>

The Future Capital Repairs Fund is to provide for the upkeep of Pembroke House, the Residency and the Tatum Street properties.

The Contingency Fund is to provide funds for the running of Pembroke House and its projects in the event of a fall in income.

13 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 July 2012 are represented by:				
Tangible fixed assets	13,144	-	1,457,122	1,470,266
Investments	-	143,298	-	143,298
Current assets	102,450	6,702	53,029	162,181
Creditors: amounts falling due within one year	(10,914)	-	-	(10,914)
	<u>103,680</u>	<u>150,000</u>	<u>1,510,151</u>	<u>1,764,831</u>
Reconciliation of movements in unrealised gains on investment assets				
Unrealised gains at 1 August 2011	-	25,717	-	25,717
Gains on revaluations in year	-	3,998	-	3,998
	<u>-</u>	<u>29,715</u>	<u>-</u>	<u>29,715</u>
Unrealised gains at 31 July 2012	-	29,715	-	29,715

PEMBROKE COLLEGE MISSION

NOTES TO THE ACCOUNTS (CONTINUED) *FOR THE YEAR ENDED 31 JULY 2012*

14 Related parties

St Christopher's Church is integral to the life of Pembroke House. The Vicar of the Parish is also Warden of Pembroke House, and the post of Vicar is funded by the Church of England, Diocese of Southwark.

The charity's objects include the promotion of Christianity through its connection with Pembroke College, Cambridge. The Trustees include representatives from Pembroke College, Cambridge.