

# **The Len Pick Trust**

## **Report of the Trustees**

### **to 31st March 2006**



Registered Charity No. 1160598



# The Len Pick Trust

Registered Charity No.1106598  
PO Box 92  
Bourne  
Lincs  
PE10 1AD  
Web: [www.lenpicktrust.org.uk](http://www.lenpicktrust.org.uk)  
e-mail: [enquiries@lenpicktrust.org.uk](mailto:enquiries@lenpicktrust.org.uk)

*Cover picture: Late Spring on farmland forming part of the assets of the Trust  
Meadow Drove, Bourne*

**The Charity operates under the terms of the Trust Deed registered with the Charity Commission on the 4<sup>th</sup> November 2004 and as amended on the 9<sup>th</sup> August 2005.**

## Objects of the Trust

*“For the general benefit of the inhabitants of Bourne Lincolnshire to further such charitable purposes as the Trustees in their absolute discretion shall think fit and in particular the Trustees shall make grants to local charitable organisations such as Bourne Abbey Church, Bourne Outdoor Swimming Pool, Bourne Darby & Joan Club, The Salvation Army and the Butterfield Day Centre”*

## Mission Statement

**The Trustees are committed to the following guiding principles**

*To fulfil the aims of the benefactor for the benefit of the townspeople of Bourne.  
To provide full accountability and transparency for their actions in the management of the Trust.  
To be pro-active in fulfilling their role as Trustees for the better management and expansion of the Trust.*

## Legal and Administrative Information

### Trustees

#### Foundation Trustees

Mr J C Forster.**	Chairman of the Trustees until 31.03.07.
Mr G D Hyde.**	Vice-Chairman of the Trustees until 31.03.07.
Mr M Parker.*	
Mr T H Peacock.*	
Mr A E Smith.	(Acting Trust Co-ordinator)
Mr E Wilson	(Deceased 13.09.04.)

#### Elected Trustees

Mr T N Bates**.	(from 01.04.06.)
Mr J H Freear*.	(from 01.04.06.)

#### Termination

March 2010
March 2010

#### Term

1st
1st

#### Co-opted Committee Members:

Mr P Organ*.	(from 01.04.06.)
Mr A Rowe**.	(from 01.04.06.)

March 2010
March 2010

1st
1st

#### Notes:

The Trustees & Co-opted members whose names are marked\* form the Finance & General Purposes Sub-Committee.  
The Trustees & Co-opted members whose names are marked \*\* form the Grant Making Sub-Committee.  
Foundation Trustees serve indefinitely in accordance with the late Mr Pick's wishes.  
Elected Trustees and Co-opted Committee members serve initially for a four year term which may be extended for a further four years.  
It is the Trustees intention to recruit two further elected Trustees commencing April 2008.

## Advisers To The Trustees

### Solicitors:

Messrs Andrews Stanton & Ringrose  
11 North Street  
Bourne  
Lincs  
PE10 9AF

### Auditors:

Whiting & Partners  
Eagle House  
Great Whyte  
Ramsey  
Cambs  
PE26 1HB

### Investment Advisors:

Whiting & Ptnrs Financial Services Ltd  
Alevin House  
20a The Horsefair  
Wisbech  
Cambs  
PE13 1AR

### Bankers:

HSBC  
3 North Street  
Bourne  
Lincs  
PE10 9AE

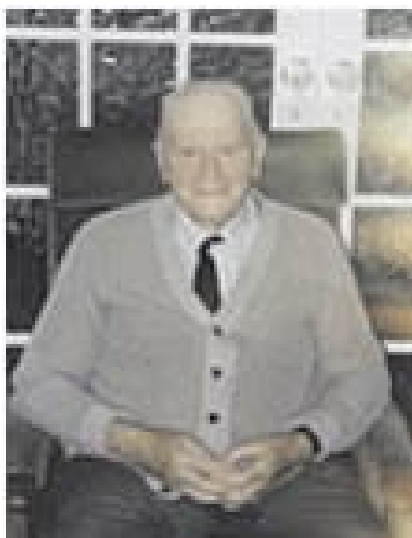
### Investment Fund Managers:

HSBC Charities Division  
78 St James's Street  
London  
SW1A 1EJ

Morgan Stanley Quilter  
St Helen's  
1 Undershaft  
London  
EC3A 8BB

CCLA Investment Management Ltd  
80 Cheapside  
London  
EC2V 6DZ

## Brief History



The Trust was created by the late Mr Len Pick, retired farmer and potato merchant, in February 1997 upon the proviso that registration with the Charity Commissioners was not undertaken until after his death in order that knowledge of his philanthropy would not come into the public domain during his lifetime. Mr Pick died in January 2004 and registration was achieved on the 4<sup>th</sup> November 2004. The Trust was launched publicly at an open meeting held in the Corn Exchange at Bourne in September 2005 where the intended policies of the Trust were unveiled to local charities and voluntary organisations. The Trust benefits from the residual estate of the late Mr Pick, which amounted to some £4,000,000.00 at his death.

Although the Trust Deed gives the Trustees power to apply the funds in such a manner as they think fit to, or for, the benefit of any charitable object or purpose within the area of benefit as described above, the initial donation is regarded by the Trustees as endowment and the resulting income there from is available for distribution in accordance with the Trust Deed.

## **Recruitment & Induction of Trustees**

Elected Trustees are recruited through advertisement. The Foundation Trustees have particular regard for the need to enlarge the Board with members having a broad range of relevant skills and experience to enable and expand the work of the charity. It is also recognised that the regular recruitment of new Trustees will enable the Trust to better reflect best practice. All new Trustees and Co-opted members are offered an induction to introduce and explain their role and the breadth of the charity's remit. This is based on an information pack which includes the Charity Commission Publication "*The Essential Trustee*", An introduction to the Len Pick Trust, copies of management accounts, minutes of previous meetings, the governing document, administrative procedures and copies of adopted policies relating to Conflicts of Interests and Trustee's Code of Conduct. Co-opted committee members bring particular skills and expertise to each committee and serve the same length of office as Trustees and under the same general guidance.

## **Main Activity**

General Grants to charitable, voluntary and other organisations within the Area of Benefit. The Trust does not make grants to individuals.

## **Grant Making Policies and Procedures**

The Trust is empowered to make grants for general Charitable Purposes in accordance with the objects of the Trust. Grant application forms can be downloaded from the Trust's website. When an application for grant is received it is checked for compliance with the Trust's objects and also that full information has been made available. The Trustees are aware that the provision of full funding by the Trust could in some cases be counter productive and might lead to a situation whereby the very reason for the organisations existence and philosophy could be damaged. In such cases the case is discussed with the client and the Trustees may look for further evidence that other resource sources have been explored or that the organisation has used its existing funding on other elements of the related project. Exceptionally, full funding is provided where the Trustees are aware that total funding is required to enable the project to proceed for the general benefit of the inhabitants of Bourne.

During the year all grant applications have been considered by the Trustees who have met monthly. With effect from the 1<sup>st</sup> April 2006, the Trust has adopted a more devolved system of management, which is shown below in this report and demonstrates the newly adopted governance structure.

## **Risk Management**

The Trustees have established the major strategic, business and operational risks that the Charity is exposed to and these are regularly reviewed. The risks and controls thereon have been identified and measures have been taken to implement suitable monitoring procedures. To date these risks have mainly related to investment management and these have been ameliorated by diversified portfolio management. The Trustees have also emplaced policies for the regular monitoring of management accounts. A monitoring and evaluation procedure is in place to ensure that the terms and conditions attached to the award of a grant are complied with by the recipient. The risk management process will be regularly reviewed by the Finance and General Purpose Committee with appropriate recommendations made to the Full Trustee Board.

## **Investment Policy**

The Trustees consider that the endowment resulting from the residue of Mr Pick's estate should be regarded as capital and therefore have drawn up an investment policy which takes into account the requirement not only to produce income for present beneficiaries but also to protect the capital in real terms for the benefit of future beneficiaries. The Trustees have consequently sort to undertake a low to medium risk policy. The Current Investment Policy is reproduced as Appendix 1 to this Report. To further this policy the investments of the trust have been split, following evaluation, initially between three investment managers, namely Morgan Stanley Quilter, HSBC Charity Division and CCLA. It is the intention of the Trustees to monitor individual performances over a three-year period and to revise allocations in the light of respective performances at the termination of this period.

The trustees receive quarterly reports from their investment advisers and managers and meet with the fund managers at least yearly to review performance.

The Trustees have considered whether to operate an Ethical Investment Policy. They consider that the imposition of such restraints upon their investment managers would not be in the best interests of the Trust and its beneficiaries.

## **Reserves Policy**

The Trustees have established three reserves in order to manage the Trust's funds effectively. Income Reserve, this fund represents the surplus of income earned in any financial period less grants committed or running costs of the Trust, it is planned that the Trust's annual commitments should not exceed the amount earned for that financial period.

Capital Reserve, this is the initial capital bequest by the late Mr Pick to establish the Trust, and should be maintained in perpetuity in order for the Trust to meet its annual commitments.

Contingency Reserve, although it is planned that costs should not exceed annual income the Trustees recognise that short notice grants may be required and therefore this reserve has been established so that in this instance, any additional funding required will not be paid out of the Trust's capital reserves.

This policy will be reviewed annually.

## **Conflicts Of Interest**

At an early stage the Trustees considered the management of Conflicts of Interest. Whilst the advice contained with the Charity Commission publication "A Guide To Conflicts of Interest For Charity Trustees" has been studied it was felt that the best practice requirement for the Trust to maintain a register of Trustees Interests was too invasive on individual Trustee's privacy. It was also recognised that given the relatively small area of benefit of the Trust and the long association of the Trustees with the town of Bourne that conflicts of interest are likely to occur with most matters in some way, shape or form. Accordingly a policy has been adopted that requires each Trustee to give notice at the beginning of any meeting of any potential conflict. Such notice is recorded in the minutes of the meeting and the Trustee having given notice, takes no further part in the relevant discussion, save at the invitation of the Chairman when a Trustee who has special knowledge of a matter which is beneficial to the proper management of the Trust may speak. At no time does such a Trustee participate in voting on any such matter.

## Trust Organisational Structure 2006/07

### Full Board (Meets Quarterly)

Responsible for strategic management of Trust in accordance with Trust Deed  
\*  
Responsible for grant decisions over £10,000

### Finance & General Purposes Committee (Meets Monthly)

Recommends income & reserves policy  
\*  
Reviews performance of fund managers  
\*  
Responsible for budgets and management accounts  
\*  
Responsibility for staffing issues  
\*  
Responsible for general compliance issues  
\*

### Sub-Committee Constituents

*2 Foundation Trustees*

\*

*1 Appointed Trustee*

\*

*1 Co-opted Member*

\*

*Trust Co-ordinator*

\*

*(Each committee elects a chairman at the beginning of new financial year)*

### Grants Committee (Meets Monthly)

Reviews and recommends grants policy  
\*  
Responsible for grant decisions up to £10,000  
\*  
Responsible for grant making compliance with Trust Deed  
\*  
Responsible for grant monitoring and evaluation procedures  
\*  
Provides recommendations on grants over £10,000

### Trust Co-ordinator

Responsible to Trustees for general administration & management of accounting records  
\*  
Servicing meetings and provision of agendas  
\*  
Responsible for compliance with Charity Commission requirements  
\*  
Contact point for stakeholders and outside organisations  
\*  
Devolved responsibility for grants under £2,000.00 in conjunction with the Chairman of Trustees & Chairman of Grants Committee  
\*

# Chairman's Statement

I am delighted to introduce the inaugural report of the Len Pick Trust following registration with the Charity Commission in November 2004.

At the first meeting of the Trustees following the death of the late Mr Len Pick, our benefactor, a clear commitment was made to translating Mr Pick's wishes into practical good for the benefit of the inhabitants of Bourne and, equally as importantly, to a policy of transparency in the Trust's actions in achieving these goals. I am pleased to report that I believe that both aspirations have been substantially achieved.

Starting from a virtual blank sheet of paper, much work has been carried out in formulating and implementing procedures for the running of the Trust. A great deal of work still remains to be done but I do believe that we have solid foundations upon which to build and expand our work.

Initially Mr Pick appointed six Trustees, sadly one, the late Mr Ted Wilson, died at an early stage in the life of the Trust. I would like to pay tribute to Mr Wilson, a true Brunnian, whose knowledge of the town proved invaluable during the early stages of the Trust's creation.

The Trustees believe that it is essential that if the Trust is to remain relevant it must be receptive to new ideas and to the changing requirements of our society, whilst adhering to its objects and the wishes of our benefactor. Therefore following consideration, the Trustees resolved to broaden the scope of the Board of Trustees by recruiting additional Trustees. The original remaining Trustees will continue to serve as "Foundation" Trustees in accordance with the wishes of the late Mr Pick. The new Trustees are elected for a period of four years with the possibility of serving a further four years. The positions were advertised in January of this year in the local press and on our website and I am delighted to welcome as from the 1<sup>st</sup> April 2006, Mr Terry Bates & Mr John Freear as Trustees, I am sure that their knowledge of the community together with their previous experience of Trusteeship and their individual skills will assist us in achieving our goals. To ensure ongoing continuity two further Trustees will be elected by a similar procedure with effect from the 1<sup>st</sup> April 2008. We are also delighted to welcome two co-opted committee members, Mr Andy Rowe and Mr Philip Organ who will bring their own particular specialities for the benefit of the of the Trust.

With the appointment of additional trustees and co-opted committee members we have reviewed the allocation of responsibilities between the trustees with a view to moving towards a committee based structure and aiming to restrict the involvement of the trustee body in the day to day activities of the charity so that it has the opportunity to concentrate the better on strategic policy. This policy is being implemented from the 1<sup>st</sup> April 2006 and the agreed organisational scheme is shown elsewhere in this Report.

The Trust was launched at a public meeting held in the Corn Exchange Bourne in September 2005 which coincided with the launch of our website [www.lenpicktrust.org.uk](http://www.lenpicktrust.org.uk). The Trustees are committed to minimising the administrative overheads of the Trust and, in modern parlance, the website acts as our virtual office containing as it does, our history, grant making procedures and general information. The website has been well received with a good deal of complimentary feedback and we believe that it is a significant major asset and one which will continue to assist our work significantly.

The Trustees have a duty not only to be aware of our present day stakeholders but also of future generations. Accordingly much thought and research has been undertaken in the formulation of an investment policy which not only reflects current requirements but also the need to enhance the capital value of the Trust in this era of low investment returns to ensure capital growth in real terms. The Trustees are therefore grateful for the advice of our advisors in achieving, in what we believe to be a strategically balanced portfolio.



Whilst research and adoption of operating procedures has taken up much of the time of the Trustees during the period, I am pleased to report that the prime aim of Mr Pick's legacy has not been forgotten. As detailed elsewhere in this Report already a number of organisations have already benefited from our Grants Policy. Furthermore commitments have been made for ensuing years to organisations to enable worthwhile projects to be "kick started". For example, the Trustees are particularly pleased to announce that we have been able to enter into a partnership agreement with the Salvation Army to ensure the employment of a full time outreach youth worker for the general benefit of youth within the area of benefit for the period 2007/08 and 2008/09.

The Trustees continue to explore opportunities of reaching our stakeholders and have undertaken a series of discussions with a number of local organisations that we hope will lead to targeted focussing on areas of needs in the ensuing year which have been identified as a result of our consultation process.

Needless to say, unfortunately, our resources are only finite. The Trust is a Charity that seeks to meet immediate need, but it also has a long term perspective for the benefit of future generations and the calls on our funds are likely to be greater than can we can meet. The Trustees therefore recognise that it is important to engage with other grant making charitable bodies to avoid duplication and also, when appropriate, to possibly combine resources to enable larger projects. I am therefore grateful to the Trustees of Bourne United Charities for their receptiveness and co-operation in the interchange of ideas that we hope will be mutually beneficial in future years.

In setting up the Trust I have been struck by the willingness of Charitable Bodies to exchange ideas and procedures. In this respect it would be remiss of me also not to acknowledge the help and assistance, in particular, of the Richmond Parish Lands Charity in London who have so generously allowed us to draw on their expertise and experience to establish our own operating procedures.

In closing I would like to express my thanks to my fellow Trustees for the time and effort that they have voluntarily expended in helping towards achieving the goal that our late benefactor set us. We recognise that ultimately the Trust is about our stakeholders. Their identification, aspirations and needs are really what the Trust is all about.

***"FOR THE GENERAL BENEFIT OF THE INHABITANTS OF BOURNE"***

***Jonathan Forster***  
***May 2006***



***Expansion of the Worth display at Bourne Heritage Centre with assistance from the Trust***



## Trust Co-ordinators Report

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, applicable law and the requirements of the Statement of Recommended Practice "Accounting & Reporting by Charities" issued in March 2005.

When setting up the workings of the Trust, the Trustees have had regard to the following key factors: -

1. Internal Organisation
2. Assessing and fulfilling Needs
3. Interaction with other organisations and stakeholders Implementation
4. Compliance
5. Implementation
6. Attaining the Goal
7. Ongoing Assessment of Effectiveness

These factors formed the core of our initial two-year action plan. It was recognised that suitable management structures and policies must be adopted as a matter of priority before embarking upon a major grants allocation programme. Considerable progress has been made towards the attainment of most of these objectives during the period covered by this Report. With the formation of a committee-based structure from April 2006 we look forward to further refining and attaining these goals and also implementing a review process to monitor the effectiveness of management policies.

Disappointingly, despite best efforts during the period, the Trustees have been unable to commission a "needs survey" within the area of benefit. This remains a priority and will be pursued during the next year as part of our strategic planning. Notwithstanding, following consultation with other organisations and coupled with the Trustees own knowledge of the area of benefit, a general picture has begun to emerge of local needs and our grant programme and allocated funding for future years has begun to reflect our own interpretation of discerned needs within the area of benefit. Whilst statistics suggest that this part of South Kesteven is one of the more affluent areas in



*A Bourne Citizens Advice Bureau Advisor working with one of the laptop computers provided by the Trust.*

the East Midlands region, we have become increasingly aware of pockets of need. The Trustees intend to focus in these areas for the general benefit of the inhabitants of Bourne in the next year. To further this end, it is the Trustees intention to draw up a four-year strategic plan, which it is anticipated, will go some way to assist in addressing some of these needs. Overall during the current period a total of £40,265.17 has been expended, loaned or reserved in the area of benefit. Equally importantly also during the

year, the Trustees allocated a further amount of £93,000.00 for agreed grant allocations for the period until the 31<sup>st</sup> March 2009 towards projects that, they believe will again, impact positively upon some of these areas of concern.

The Trust derives its endowment from the residual estate of the late Mr Pick. The establishment of the exact amount available to the trust has, as may be expected, been a complicated and lengthy matter. With the finalisation of the estate and completion of the first accounting period of the Trust the Trustees are now able move to forward in to the next financial year with a more certain knowledge of the Trust's financial status and likely income flow. Whilst much of the administration of the Trust to date has been carried out on a voluntary basis, it is recognised that in order that the work of the Trust can be expanded it will be necessary to place the administration on a more established permanent basis. To this end the trustees have been in consultation with the Charity Commission and it is anticipated that a more permanent administrative structure will be emplaced during the summer of 2006 with the employment of a permanent part-time administrator.

Mention has been made of the Trust's work on the creation of a four-year strategic plan. The Trustees recognise that the creation of the Trust with such a substantial benefaction presents opportunities to help and assist social cohesion within the area of benefit. To attain this goal it is recognised that the Trust must be pro-active in its role. With this in mind we very much look forward to the ensuing year.

***Adrian Smith***  
***Acting Trust Co-ordinator***



***Bourne Outdoor Pool – Provision of Disabled Changing and Toilet Facilities***

*“The money allocated to us for these projects is greatly appreciated by the Committee, giving us peace of mind in the knowledge that the opening of the pool for 2006 is now secure”*

***Mandy Delaine-Smith, Chairperson***

## Grants Commentary

**During the report period the Trustees have supported projects within the following categories.**

Category	Grants paid 2005/06	Grants reserved 2005/06
A1 The Relief of Poverty		
B1 Mental Health & Disability		
B2 Physical Disability		
B3 Social & Medical Welfare	325.71	
C2 Sport	6,927.00	
C4 Music & The Arts	500.00	
D1 Welfare of the Elderly	3,299.03	
D2 Youth/Young People	3,006.72	
E1 Education	3,000.00	5,000.00
F1 Community	11,706.71	
G1 Religion	5,000.00	
H1 Other/General		
<b>Total</b>	<b>33,765.17</b>	<b>5,000.00</b>

**A more detailed commentary of Grant expenditure to the 31<sup>st</sup> March 2006 is set out below.**

Bourne Abbey Church	Funding of Part Time admin.staff	5,000.00
Bourne Town Juniors Football Club <sup>(i)</sup>	Preparation of new pitch	2,500.00
Bourne Hockey Club	Purchase of New Equipment	4,000.00
Bourne Civic Society	Help towards Worth Exhibition	500.00
Citizens Advice Bureau	Purchase of computer equipment	1,706.71
Butterfield Centre	Replacement engine for centre bus	3,299.03
Bourne Midwives	Purchase of Fetal heart monitor	325.71
Bourne Town Harriers	Purchase of race equipment	812.00
Bourne Outdoor Pool Trust	Upgrading of pool facilities	10,000.00
Bourne Town Bowls Club	Purchase of replacement mower	2,115.00
Bourne Sci-fest 2006	Contribution towards promotion expenses	3,000.00
Royal British Legion	New Standard for Army Cadet Force	506.72
<b>Total</b>		<b>33,765.17</b>

Notes: (i) Bourne Town Juniors Football Club: A further £1,500 was granted on favourable loan terms repayable over three years.

(ii) Grant Reservation, Bourne Grammar School: £5,000 was additionally reserved for assistance in connection with their application for specialist status.

**Additionally, grants have been allocated for payment in respect of the following categories for the next three years: -**

	2006/07	2007/08	2008/09
A1 The Relief of Poverty	10,000.00	10,000.00	10,000.00
B1 Mental Health & Disability			
B2 Physical Disability			
B3 Social & Medical Welfare	3,000.00		
C2 Sport			
C4 Music & The Arts			
D1 Welfare of the Elderly			
D2 Youth/Young People		20,000.00	20,000.00
E1 Education	5,000.00	5,000.00	
F1 Community	10,000.00		
G1 Religion			
H1 Other/General			
<b>Totals</b>	<b>28,000.00</b>	<b>£35,000.00</b>	<b>£30,000.00</b>

## Statement of Trustees Responsibilities

Law applicable to Charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the applicable law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Signed on behalf of the Trustees

**J C Forster.** Chairman

**G Hyde.** Vice-Chairman

**Dated: 29th August 2006**

### From some of Our Stakeholders

*"We would like to express our appreciation for the donation of a Doppler Fetal Heart Dopplex which will enable us to carry out our duties and responsibilities to the Community of Bourne with even greater benefit"*

**Maggie Burton & Mary Moss**  
**Bourne Community Midwives**

*"Your prompt realisation of the situation and your generous reaction in ensuring that the bus was back in service very quickly is indeed testament to your stated aim of benefiting the community of Bourne. Without your help we would have been in a very difficult situation"*

**Rev. Derek Baines**  
**Chairman of Trustees**  
**Butterfield Centre**

*"Firstly may I take this opportunity to thank the Len Pick Trust for dealing with our application so expeditiously and on behalf of the Club thank the Trust for facilitating the much needed grant for the provision of an extra pitch"*

**Ian Sismey**  
**Bourne Town Juniors Football Club**

*"The Committee are absolutely delighted, as you can imagine,*

*It is a wonderful opportunity for the young people of Bourne (and the not quite so young) to enjoy professional presentations on a diverse mix of scientific subjects"*

**Gill Bell**  
**On behalf of Sci-Fest**



## Investment Reports

*As is reported elsewhere, the Investments of the Trust have been split between Morgan Stanley Quilter, HSBC Charities Division and CCLA Investment Management. Brief investment reports from Morgan Stanley Quilter and HSBC Charities Division are reproduced below. No investment report has been requested from CCLA given that the Trustees only made their investment with that company during March 2006.*

### Morgan Stanley Quilter

Report to 31 March 2006

The initial portfolio structure was established at the beginning of November 2005. The bulk of the proposed asset allocation has now been made with most underlying investments purchased. The portfolio is divided as follows:

Asset Classes	%
UK Index Linked Gilts	26.2
UK Segregated Equities	35.9
UK Small Cap – pooled	1.8
US Equities – pooled	2.0
Japan Equities – pooled	0.5
Europe ex UK Equities – pooled	0.6
Asia ex-Japan – pooled	0.5
Other Equities – pooled	0.6
Hedge Fund of Funds – pooled	6.1
Private Equity – pooled	9.8
Commercial Property- pooled	8.5
Cash	7.5
100.0	

Some of the remaining cash is earmarked for broad hedge fund exposure. Available quality offerings in this arena remain limited although we are actively pursuing some options. Performance of the portfolio from inception to 31 March has been just ahead of benchmark, delivering a total return of 7.7%. We believe this a reasonable result given initial set-up costs. Of the major asset classes the tranche of index-linked gilts held as an inflationary hedge have remained relatively static. Equity allocations have generally performed well, whilst alternative asset classes such as private equity and property have enjoyed supportive conditions with net institutional cashflows to these assets still robust. Core segregated UK equity investments in areas such as oils and banks have been underpinned by reasonable valuations. Weakness in telecoms (Vodafone) and some specific stocks (iSoft) has been more than offset by bids for BOC (the global gases business), KESA (the electrical retailer) and an interest in the life assurance sector (Prudential) still to play out.

Looking ahead we have witnessed relatively sanguine market conditions with plentiful liquidity and risk appetites buoyed by investor sentiment. We may witness further momentum in financial markets particularly if corporate activity extends to other sectors and we would watch for activity in the banks sector as a catalyst. Conversely we remain wary of the spike in commodity prices. Overall we remain content with the strategic allocations and do not envisage a radical departure from current allocations.

### General Economic Overview

Global economic activity has continued to surprise on the upside helping equity markets to record gains of around 6% over the first quarter. Commodities have also been very strong with Brent Crude up over 13% to \$66 and copper over 20% to an all time high. Rising interest rates in the US, Japan and Europe and the prospect of further policy tightening pushed bond yields up by 0.5%.

The strength of the global economy has enabled central banks to remove excess liquidity at a moderate pace without upsetting financial markets. At 4.75%, US rates are now probably marginally above 'neutral', ECB rates have increased to 2.5% and after a decade the Bank of Japan has finally abandoned quantitative easing which was responsible for its ultra-loose monetary policy. These rate rises coupled with increased demand from the real economy mean competition for capital is intensifying. Over time, this is most likely to impact higher yielding/emerging debt market where risk premiums have fallen to very low levels. Although there are few signs of inflation, we expect further modest rate rises over the coming months and a bias towards slightly higher bond yields. We are not expecting any major currency moves with higher US yields supporting the dollar for the time being and the yen strengthening slightly.

Following the very strong first quarter US GDP number, we anticipate slowing activity although the year as a whole should match the 2005 outturn of 3.5%. Monetary policy is as much about regulating economic activity as constraining inflation and another 25bp rate rise is expected in May despite the benign inflation background. However, there is a risk that low long bond yields and thin credit spreads mean the Federal Reserve has to do more than markets currently anticipate. The lagged impact of 15 consecutive 25bp rises is expected to dampen the housing market and consumer spending in the second half with the pattern similar to the recent slowdown in the UK and Australia. Corporate profits growth in 2006 will also slow to a more moderate 8%. We do not expect sharply lower turnover but the benefits of operational gearing will fade. Margins expanded by over 500bp between late 2001 and end 2005 reflecting slightly higher sales on a fixed cost base, record productivity and declining interest costs as balance sheets were more efficiently managed. As these trends reverse, margins will compress although overseas earnings and indications of pricing power returning will limit the impact.

Japanese growth will also slow after exceptionally strong 4% GDP in the final quarter of 2005 but - like the US - should remain above trend for the year as a whole at 2.7%. The attraction of Japanese equities is therefore one of restructuring and refocusing on shareholder interests. The recent Chinese five-year plan (2006-10) indicates the growth target is being lowered to 7.5%. Perhaps more significantly, a change in composition is anticipated with less dependence on investment and exports and more emphasis on boosting domestic consumption. Other reforms are aimed at addressing the extreme inequalities in income, education, healthcare and housing. Given the deflationary internal environment, any policy changes are likely to be gradual but the days of explosive growth and peak demand for commodities may be over. Other emerging economies continue to grow strongly but equities are fairly fully valued now most of the discount 'cushion' has been removed.

European growth forecasts are increasing on improving business sentiment as well as an unexpectedly strong German IFO number indicating that GDP this year could be as high 4%. German retail sales remain sluggish but spending should pick up as the result of the World Cup and increased sales ahead of next year's VAT rise. Companies appear to be absorbing higher energy prices with a gradual headcount reduction and increased outsourcing.

Recent surveys show an improving outlook for the UK but retail sales and labour market data suggest a more mixed picture and the possibility that consumer spending could disappoint in the second half. The recent strength in the housing market will bolster confidence that 2.3% GDP is achievable but rising tax and utility bills will dampen discretionary income growth. It is too early to expect a cut in rates - the MPC will have been rattled by the spike in consumer inflation expectations although productivity and wages are the key to the more damaging second round effects and EU migration is helping restrain unit wage costs.

The outlook for equities remains favourable although the merger and acquisition frenzy means progress throughout Europe has been much faster than we anticipated. We are also concerned about the increasing correlation between financial asset classes. However, the business cycle remains stable and the improving outlook for Japan and Europe means global growth is better balanced. At this stage in the cycle, companies usually start facing severe cost pressures but globalisation is helping keep wages in check and absorb some of the higher input costs. These cost pressures are unlikely to abate as the rapid industrialisation of China continues.

We expect some profit taking but any setback may prove temporary - cash from recent takeovers and share buybacks coupled with rumours of further M&A and private equity activity highlights the risk that equities are still undervalued. US equities have lagged mainly because valuations have contracted on the back of interest rate rises and attractive investment options elsewhere but, as the valuation gap with emerging economies narrows and interest rates peak, we expect attention to return to the relative attractions of established US companies.

## HSBC Charities Division

The Len Pick Trust is managed investing in a wide variety of asset classes, ranging from fixed interest to hedge funds and institutional pooled property. The investments are managed through a mixture of managed funds, on a 'best of breed' basis. The investment objective is to outperform a composite benchmark (25% fixed interest, 40% UK equities, 15% overseas equities, 10% property, 5% hedge funds, and 5% cash), at a moderate level of risk, which applies to the whole portfolio.

### Asset Allocation

	<u>31<sup>st</sup> Dec 2005*</u>	<u>31<sup>st</sup> March 2006</u>
Fixed Interest	16.2%	19.7%
UK Equities	30.0%	43.9%
Overseas Equities	16.2%	17.8%
Europe	3.9	3.0%
USA	3.1	4.1%
Japan	3.8	3.6%
Asia	1.4	2.7%
Global & Emerging	4.0	4.4%
Alternatives	3.0%	12.0%
Property	-	3.8
Hedge Funds	3.0	8.2
Other	-	-
Cash	34.6%	6.6%
Total	100%	100%

\* In due course we will report on the year on year change once we have a full year's data

### Investment Returns

	<u>Len Pick Trust</u>	Tailored Benchmark
Q1 2006	+4.3%	+4.9%

(All figures are total return)

### **Commentary**

Since we began the quarter with 35% in cash, the overall performance has been broadly satisfactory. Cash levels have been reduced down to 7%, and will be reduced slightly further as we continue our investment programme. The key strategy at present is to favour investment into hedge fund of funds, where we seek annualised returns of between 6 – 12%, as opposed to property. We are increasingly concerned about investor demand driving up commercial property, rather than underlying tenant demand. With fixed income yields beginning to pick up, having hit multi-year lows, this will negatively impact on asset values of property.

Equities produced yet another quarter of excellent returns, with the UK market rising by 8.1% in the first 3 months of 2006, the 12<sup>th</sup> consecutive positive quarter. World equities ex UK (£) rose by 5.5%. Within developed markets, the favourable factors of good economic growth, low market valuations, high corporate returns and M&A activity, have continued, with the latter being most prominent in the UK and European markets. This has especially been so in the small capitalised companies where speculation of private equity and industry buyers have been rife.

In contrast, fixed interest markets have recently been weak, posting negative return of -0.6% (FT Govt All Stocks Index) over the quarter. Longer dated bonds that performed so strongly in 2005 were worst hit falling by more than -1.0%. The fixed income index return for the full year was still +7.6%. Although UK economic fundamentals have largely been bond market supportive, the UK bond market has moved in sync with global bond markets, following the US, where tightening rates have been negative for bond markets, with the longer end being most sensitive.

## Outlook

Q1 06 Outlook - Equity markets have recovered significantly following the bear markets of 2001 to 2003. Strong returns however encourage investors to neglect fundamentals and typically there is a lack of focus on risk and an increased obsession with returns.

There are a number of factors that suggest that greed is the dominant factor driving the markets at present. Speculators, who often tend to be short-term in their outlook, are trading on momentum regardless of fundamentals. Currently, speculators are running their largest ever net long position in S&P futures (the future market of the US equity market), which generally indicated that they believe equities will continue to rise. Extreme positions in market futures are typically a signal that investors have thrown caution to the wind and are just interested in chasing returns.

The exuberance in equity markets is also evident if one considers the level of discount & premium of closed end funds, such as in the investment trust industry. Many investment trusts at present are trading at premiums to the value of their assets, indicating that as investors become more optimistic, they are often prepared to pay more for a fund that is warranted by its intrinsic value. This is particularly evident in more exotic areas of the market. In China and India for example, there are funds trading at over a 10% premium to their asset value and indeed some are at 30% premiums.

Exuberance in markets is not just a characteristic of equities. In the bond market the premium that investors are prepared to accept on emerging market or more risky corporate bonds versus government bonds is a great barometer. Now, whilst we fully acknowledge that many emerging markets are in much better shape than before, the current 150 basis point premium over US Treasuries does not appear to offer much compensation for the risks involved.

The purpose of my outlook is not to scare (in fact we see value in many areas despite the strength of market performance), instead to caution about the current market obsession with returns at the expense of risk. In light of this, it is imperative that we maintain investment principles and respect our core philosophies, with the focus on valuations, cash flow returns on investment, and share price momentum.

Oliver Bates  
Director  
HSBC Investments  
April 2006



# **Independent Auditor's Report to the Trustees of The Len Pick Trust**

We have audited the financial statements set out on page 18 to 24 which have been prepared under the historical cost convention and the accounting policies set out on page 20.

This report is made solely to the Charity Trustees, as a body, in accordance with the Charities Act 1993. Our audit work has been undertaken so that we might state to the Trustees 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 its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective Responsibilities of Trustees and Auditors**

As described on page 11, the trustees are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. 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 and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees remuneration and transactions with the Charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## **Basis of 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations 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.

**Independent Auditors' Report to the Trustees of  
The Len Pick Trust (Continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31 March 2006 and of its incoming and resources and application of resources, in the period then ended and have been properly prepared in accordance with the Charities Act 1993.

**(Signed) B J Carroll FCA**

**Whiting & Partners  
Chartered Accountants & Business Advisors  
Registered Auditors  
Eagle House  
Great Whyte  
Ramsey  
PE26 1HB**

**Date:** 29 August 2006

**The Len Pick Trust**  
**Statement of Financial Activities**  
**For the period ended 31 March 2006**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Total 2006 £</b>	<b>Total 2004 £</b>
<b>Incoming Resources before Transfers &amp; Revaluations:-</b>				
<b>Incoming Resources from generated funds:</b>				
Voluntary Income		4,127,835	4,127,835	-
Income from investments	<b>2</b>	425,705	425,705	1
<b>Total incoming resources</b>		<u>4,553,540</u>	<u>4,553,540</u>	<u>1</u>
<b>Resources Expended:</b>				
<b>Costs of generating funds:</b>				
Investment Management Costs	<b>3</b>	13,850	13,850	-
<b>Direct charitable purposes</b>	<b>4</b>	131,765	131,765	-
<b>Governance Costs</b>	<b>5</b>	9,525	9,525	-
<b>Total Resources Expended</b>	<b>6</b>	<u>155,140</u>	<u>155,140</u>	<u>-</u>
<b>Net (outgoing)/incoming resources before revaluation &amp; investment asset disposals</b>		4,398,400	4,398,400	1
Realised gains on disposal of investment assets	<b>7</b>	1,015	1,015	-
Unrealised gains on revaluation of investment assets		222,227	222,227	-
<b>Net Movement in Funds</b>		<u>4,621,642</u>	<u>4,621,642</u>	<u>1</u>
Fund Balances brought forward		514	514	513
<b>Fund Balances carried forward</b>		<u>4,622,156</u>	<u>4,622,156</u>	<u>514</u>

The charity has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charity are classed as continuing.

The notes on pages 20 to 24 form part of these accounts.

**The Len Pick Trust**  
**Balance Sheet**  
**As at 31 March 2006**

		<b>2006</b>		<b>2004</b>	
	<b>Note</b>	£	£	£	£
<b>Fixed Assets</b>					
Tangible Fixed Assets	<b>8</b>	3,897		-	
Investment Property	<b>9</b>	140,000		-	
Listed Investments	<b>10</b>	3,987,478		-	
Cash Balance held in Investment Portfolio	<b>10</b>	<u>239,224</u>		<u>-</u>	
			4,370,599		-
<b>Current Assets</b>					
Sundry Debtors	<b>11</b>	116,128		-	
Cash at Bank:					
Current Account		35,111		514	
Deposit Account		<u>201,318</u>		<u>-</u>	
		<u>352,557</u>		<u>514</u>	
<b>Current Liabilities</b>					
Creditors falling due within one year	<b>12</b>	<u>-36,000</u>		<u>-</u>	
<b>Net Current Assets</b>			<u>316,557</u>		<u>514</u>
<b>Total Assets Less Current Liabilities</b>			4,687,156		514
<b>Creditors: Amounts falling due after more than one year</b>	<b>13</b>		65,000		-
<b>Net Assets</b>			<u><u>4,622,156</u></u>		<u><u>514</u></u>
<b>Represented By:</b>					
<b>Unrestricted Funds</b>					
Income and Expenditure Account	<b>14</b>		393,807		514
Capital Fund			4,128,349		-
Contingency Fund			<u>100,000</u>		<u>-</u>
			<u><u>4,622,156</u></u>		<u><u>514</u></u>

**Approved by the Trustees on:** 29 August 2006

J C Forster. Chairman of the Trustees

G Hyde. Vice Chairman

The notes on pages 20 to 24 form part of these accounts.



## **1 Accounting policies**

### **a) Accounting Convention**

The accounts have been prepared under the historical cost convention, and in accordance with the Charities Act 1983 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

### **b) Incoming Resources**

Voluntary Income is from donations and is recognised on a receipts basis.  
Income from investments is included when receivable.

### **c) Fund Accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

The Capital fund represents the balance received from the Estate of the late Mr. T.L. Pick and it is the intention of the Trustees that this balance should be maintained to provide suitable levels of investment income to meet the Trusts charitable obligations.

The contingency fund has been established as it is the intention of the Trustees that grants paid in any accounting period should not exceed income received, this fund exists that in a situation where an additional grant is required in excess of the years income, it can be paid without drawing on the Trust's capital fund.

### **d) Resources Expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs of both attracting voluntary income and the costs associated with its permitted trading activities of letting properties.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Grants payable are included on an accruals basis, where the grant is due to be paid to the benefactor once the qualifying conditions have been met. There is a right to recover grants given and not utilised in accordance with the agreed terms, and any recoveries will be included in the accounts when recovered.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, as well as administrative and establishment costs of the charity which cannot be fairly allocated to any of the charity's activities.

### **e) Fixed Assets**

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	-	25% Reducing Balance
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**The Len Pick Trust**  
**Notes to the Accounts (Continued)**  
**For the Period ended 31 March 2006**

**2 Interest Receivable and Similar Income**

	<b>Period to 31.3.2006</b>	<b>Period to 3.11.04</b>
	£	£
Rents from Investment Property	1,189	-
Income from Listed Investments	19,242	-
Bank Interest receivable	92,848	1
Other Income: Estate of T.L. Pick, deceased	312,426	-
	<u>425,705</u>	<u>1</u>

**3 Costs of Activities for Generating Funds**

	<b>Unrestricted Funds</b>	<b>Total Funds Period to 31.3.2006</b>
	£	£
Professional Fees - Investment Advice	13,850	13,850

**4 Direct Charitable Expenditure**

	<b>Unrestricted Funds</b>	<b>Total Funds Period to 31.3.2006</b>
	£	£
Grants Payable	131,765	131,765

**5 Governance Costs**

	<b>Unrestricted Funds</b>	<b>Total Funds Period to 31.3.2006</b>
	£	£
Insurance	2,499	2,499
Sundries	1,669	1,669
Depreciation	1,300	1,300
Auditors' Remuneration	4,057	4,057
	<u>9,525</u>	<u>9,525</u>

**The Len Pick Trust**  
**Notes to the Account (Continued)**  
**For the Period ended 31 March 2006**

**6 Total Expenditure**

	<b>Note</b>	<b>Depreciation</b>	<b>Other Costs</b>	<b>Total Funds Year to 5.4.06</b>
		£	£	£
<b>Total Resources Expended</b>				
Costs of Generating Funds	<b>3</b>	-	13,850	13,850
Direct Charitable Expenditure	<b>4</b>	-	131,765	131,765
Administrative Expenditure	<b>5</b>	1,300	8,225	9,525
		<u>1,300</u>	<u>153,840</u>	<u>155,140</u>

**7 Realised Gains/(Losses) on Disposal of Investment Assets**

	<b>Unrestricted Funds</b>	<b>Total Funds Period to 31.3.2006</b>
	£	£
Profit on Disposal of Listed Investments	13,867	13,867
Loss on Disposal of Investment Properties	-12,852	-12,852
	<u>1,015</u>	<u>1,015</u>

**8 Tangible Fixed Assets**

	<b>Office Equipment</b>	<b>Total</b>
	£	£
<b>Cost</b>		
Additions	5,197	5,197
<b>At 31 March 2006</b>	<u>5,197</u>	<u>5,197</u>
<b>Depreciation</b>		
Charges for the period	1,300	1,300
<b>At 31 March 2006</b>	<u>1,300</u>	<u>1,300</u>
<b>Net Book Value</b>		
<b>At 31 March 2006</b>	<u>3,897</u>	<u>3,897</u>

**The Len Pick Trust**  
**Notes to the Accounts (Continued)**  
**For the Period ended 31 March 2006**

**9 Investment Property**

	<b>Period to 31.3.06 £</b>
<b>Cost</b>	
Acquired on Bequest at Probate Value	616,000
Disposals	476,000
<b>At 31 March 2006</b>	<u><u>140,000</u></u>

**10 Listed Investments**

	Original Investment	Additions at Cost	2006 Disposals	Cost or Mkt Value at 31.3.06	Cash Balances at 31.3.06
	£	£	£	£	£
Morgan Stanley Quilter Portfolio	2,000,000	1,863,370		1,986,549	137,512
HSBC Investment Portfolio	1,500,000	1,471,624	-69,743	1,500,929	101,712
COIF Charities Investment Fund	250,000	250,000		250,000	
COIF Charities Deposit Fund	250,000	250,000		250,000	
	<u>4,000,000</u>	<u>3,834,994</u>	<u>-69,743</u>	<u>3,987,478</u>	<u>239,224</u>

**11 Sundry Debtors**

	<b>2006 £</b>
Income Tax Repayment	63,159
Investment Income	51,469
Other Debtors	1,500
	<u><u>116,128</u></u>

**12 Creditors**

	<b>2006 £</b>
Grants Payable	28,000
Sundry Creditors	8,000
	<u><u>36,000</u></u>

**The Len Pick Trust**  
**Notes to the Accounts (Continued)**  
**For the Period ended 31 March 2006**

**13 Creditors Falling Due After 12 Months**

**2006**  
**£**

Grants Payable

65,000

The trustees have accrued as a liability grants payable, where the qualifying conditions have been met at the balance sheet date, and the grant has been approved for payment by the trustees.

**14 Net Assets Between Funds**

Fund Balances at 31 March 2006 are represented by:-

	<b>Total</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	4,370,599	4,370,599	-
Cash at Bank and In Hand	236,429	236,429	-
Sundry Debtors	116,128	116,128	-
Sundry Creditors	-101,000	-101,000	-
	<u>4,622,156</u>	<u>4,622,156</u>	<u>-</u>
Unrealised Gains included in above Fixed Asset Investments	<u>222,227</u>	<u>222,227</u>	<u>-</u>
Reconciliation of Movement in Unrealised Gains on Investments			
Add Increase in Reserve for the year	222,227	222,227	-
UNREALISED GAIN AT 31 MARCH 2006	<u>222,227</u>	<u>222,227</u>	<u>-</u>



	<h1>The Len Pick Trust</h1> <p>Registered Charity No. 1106598</p>	<p>PO Box 92 Bourne Lincs PE10 1AD</p> <p>Tel: (01778) 424159 Fax: (01778) 426711</p>
<h2>Investment Policy Statement</h2>		
<h3>Aims and Objectives</h3> <p><i>"For the general benefit of the inhabitants of the town of Bourne, Lincolnshire, to further such charitable purposes as the trustees in their absolute discretion shall think fit".</i></p> <p>It is the intention of the trust to invest the capital to preserve its value in real terms and use income distributions from the investments to make the charitable distributions.</p>		
<h3>Special Preferences &amp; Constraints</h3> <ul style="list-style-type: none"><li>Initially there are no specific income requirements although it is expected the income requirements will be clearer in two years time.</li><li>Immediate priority is therefore capital preservation in real terms with some quarterly income distributions.</li><li>Flexibility for the portfolio is desired should the objectives / income requirements need changing.</li><li>Charitable status – Capital Gains Tax Exempt. Income Tax Exempt</li><li>No investment restriction on assets, sectors or geographical restrictions</li><li>No ethical investment restrictions</li><li>Base currency - Sterling</li></ul>		
<h3>Risk profile and time horizon</h3> <p>The trustees wish to adopt a cautious low risk approach. This will be met by the construction of a multi-asset portfolio.</p> <p>The time horizon may be considered perpetual in view of the charitable nature of the portfolio.</p>		

### Asset Allocation

Asset	Initial %	Range %
UK Fixed Interest	)	15-35
Other Fixed Interest	)	
UK Equities		30-50
US Equities	)	
European Equities	)	
Japan Equities	)	0-20
Far East ex Japan	)	
Other Equities	)	
<b>Alternative assets: -</b>		
Cash		0-20
Commercial Property		5-15
Hedge Funds		0-10

Benchmark :

The trustees wish to use the following as their chosen benchmark:

The trustees wish to use a bespoke benchmark constructed to the above asset allocation for periodic performance monitoring

Performance will be measured on a total return basis.

### Reviews and Reporting

- Valuations and portfolio commentary are to be sent / presented to the charity's trustees / representative on a quarterly basis initially.
- The Investment Policy Statement will be reviewed annually.
- The Investment manager's role will be reviewed regularly.

**Agreed for and on behalf of the Trustees .....**

**Agreed for on behalf of Investment Manager .....**

