

**The James Weir Foundation
(Registered Charity Number: 251764)**

Dated 10 January 1967

Accounts

for the year ended 31 December 2010

The James Weir Foundation
Dated 10 January 1967

Trustees' Annual Report for the year ended 31 December 2010

Settlor:	James George Weir, C.M.G., C.B.E., (died 7 November 1973)
Name of the Charity:	The James Weir Foundation The principal governing document is a Settlement dated 10 January 1967. The Trust is a private charitable trust controlled by its trustees.
Charity Registration Number:	251764
Trustees:	Simon Bonham Mrs Elizabeth Ann Bonham William Jay Ducas There are no powers above and beyond the statutory powers of appointing new trustees following the death of the settlor.
Principal Office:	84 Cicada Road London SW18 2NZ
Accountants:	Mercer & Hole Trustees Limited Gloucester House, 72 London Road St Albans, Herts AL1 1NS
Auditors:	Mercer & Hole, Chartered Accountants 72 London Road St Albans, Herts AL1 1NS
Bankers:	HSBC Bank plc 19 Midsummer Place, Milton Keynes Coventry CV3 9WN
Investment Managers:	Lazard Asset Management Ltd 50 Stratton Street London W1J 8LL
Investment Powers and Policy:	<p>The trustees have powers of investment of beneficial owners and additional powers including the powers of appropriation conferred upon personal representatives by the Administration of Estates Act 1925 and may exercise such powers without any of the consents required by the Act.</p> <p>They are entitled to employ professionals to provide such services as are available to any other customer. Lazard Asset Management Ltd currently act as fund managers for the trustees. During the year ended 31 December 2009 the structure of the investment fund was substantially altered. It was agreed that Lazard's would invest in funds in the Lazard Capital Allocation series that rely on global asset allocation, rather than individual stock selection.</p> <p>The investment policy is to generate the optimum amount of income for distribution whilst at the same time investing for capital growth.</p>

The James Weir Foundation
Dated 10 January 1967

Trustees' Annual Report for the year ended 31 December 2010 (continued)

Objectives and Grant Making

Policies:

The trust is an unincorporated trust, constituted under a trust deed dated 10 January 1967. The trust funds and income thereof are held upon such trusts and for such purposes as are exclusively charitable according to the laws of England. The trustees are directed to apply the trust funds in the payment of grants or subscriptions to such charitable bodies or institutions for all or any of the charitable objects or purposes as the trustees in their absolute discretion think fit and the following charities are specifically named as potential beneficiaries in the trust Deed: -

The Royal Society
The British Association for Advancement of Science
The RAF Benevolent Fund
The Royal College of Surgeons
The Royal College of Physicians
The University of Strathclyde

As a matter of practice the trustees give priorities to the charities that meet the following criteria: -

- (1) Local charities in Ayrshire and Glasgow.
- (2) Charities with which Mr James Weir or his family were particularly associated.
- (3) Schools and educational institutions with which Mr James Weir or his family were particularly associated.
- (4) Charities with which the trustees are personally associated and where they are able to judge the value of the work.
- (5) Other Scottish and National charities.
- (6) Other Local charities.

The Trustees meet twice a year in furtherance of the Trust's objective of making grants to charitable bodies. They deal with all applications from Charities during the period leading up to the distributions; many of these will be ones that have been coming to the Trustees on an annual basis for many years and some will be new Charities approaching the Trust for the first time. All are scrutinised and a decision made as to whether to make a distribution or not.

During the year ended 31 December 2010 the Trustees met the Trust's objectives by making grants totalling £202,738 as shown on pages 8, 9 & 10.

The Trustees plan for the future is to continue their grant making policy thus assisting the Charities in fulfilling their objectives.

Trust Administration:

The administration of the trust is carried out by the Secretary, reporting directly to the trustees. Trustees' meetings are held twice a year, at which the financial performance is reviewed and decisions taken on the distributions to charities.

Reserves:

The policy of the trustees is to distribute all the income as it arises to charities each year and not to accumulate reserves. They use their discretion to distribute from capital from time to time.

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Dated 10 January 1967

Trustees' Annual Report for the year ended 31 December 2010 (continued)

Risk Management: The trustees have assessed the major risks to which the charity is exposed and are satisfied they are not exposed to any significant risks, other than the fluctuation in the value of their investment portfolio. They have delegated the management of the portfolio to professional managers and regularly review their performance.

Public Benefit: The objects of the trust (see above) are clearly of public benefit both directly and indirectly and due regard has been paid to the public benefit guidance published by the Charity Commission.

Statement of Trustees responsibility: The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The 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 state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and trust deed. 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

Date:

INDEPENDENT AUDITORS' REPORT to the Trustees of James Weir Foundation – A Registered Charity

We have audited the financial statements of James Weir Foundation for the year ended 31 December which comprise the Statement of Financial Activities, Balance Sheet, 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 trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's 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 auditor

As explained more fully in the Trustees' Responsibilities Statement the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor 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 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 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 charity'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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2011, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Charities Act 1993.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Signed:

Dated:

Mercer & Hole, Statutory Auditors
72 London Road, St Albans, Hertfordshire AL1 1NS

The James Weir Foundation
Dated 10 January 1967

Statement of Financial Activities
for the year ended 31 December 2010

	Notes	Expendable Endowment Funds £	Unrestricted Income Funds £	2010 Total £	2009 Total £
Income and Expenditure					
Incoming Resources					
Investment income		-	179,542.16	179,542.16	274,064
Interest receivable		-	184.33	184.33	6,529
Rebates on investment management		-	-	-	1,913
Gain on currency translation		10,282.65	-	10,282.65	1,756
Total Incoming Resources		<u>10,282.65</u>	<u>179,726.49</u>	<u>190,009.14</u>	<u>284,262</u>
Resources Expended					
Charitable activities					
Grants	2	-	202,738.17	202,738.17	217,500
Other expenditure					
Cost of generating funds	3	50,331.90	-	50,331.90	30,509
Governance costs	4	-	15,576.71	15,576.71	14,483
Administration costs	5	-	2,628.05	2,628.05	1,590
Total Resources Expended		<u>50,331.90</u>	<u>220,942.93</u>	<u>271,274.83</u>	<u>264,082</u>
Net Incoming /(Outgoing) Resources for the Year		(40,049.25)	(41,216.44)	(81,265.69)	20,180
Other Recognised Gains and Losses					
Gains/(losses) on investment assets					
Realised	6	135,983.65	-	135,983.65	(48,878)
Unrealised	6	684,486.46	-	684,486.46	662,620
Net Movement in Funds		<u>780,420.86</u>	<u>(41,216.44)</u>	<u>739,204.42</u>	<u>633,922</u>
Balances at 1 January 2010		<u>5,769,040.94</u>	<u>304,476.50</u>	<u>6,073,517.44</u>	<u>5,439,596</u>
Balances at 31 December 2010		<u>6,549,461.80</u>	<u>263,260.06</u>	<u>6,812,721.86</u>	<u>6,073,518</u>

**The James Weir Foundation
Dated 10 January 1967**

**Balance sheet
31 December 2010**

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Listed investments at market value	6		6,555,053.00		5,916,288
Current assets					
Balance with investment managers		243,547.81		291,649	
Balance at HSBC Bank		5,615.10		-	
Dividend receivable		<u>23,545.02</u>		<u>-</u>	
		<u>272,707.93</u>		<u>291,649</u>	
Current liabilities					
Amount falling due within one year	7	15,039.07		16,084	
Balance at HSBC Bank overdrawn		<u>-</u>		<u>118,335</u>	
		<u>15,039.07</u>		<u>134,419</u>	
Net current assets			<u>257,668.86</u>		<u>157,230</u>
Net assets			<u>6,812,721.86</u>		<u>6,073,518</u>

Representing:

Expendable Endowment Funds (page 5)		6,549,461.80		5,769,041
Unrestricted Income Funds (page 5)		<u>263,260.06</u>		<u>304,477</u>
		<u>6,812,721.86</u>		<u>6,073,518</u>

Approved by the trustees on and signed on their behalf by

..... (Trustee).

Notes to the Accounts
for the year ended 31 December 2010

1. Accounting policies

a) Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception that listed investments are included at market value and in accordance with the Statement of Recommended Practice: 'Accounting and Reporting for Charities 2005' and applicable UK Accounting Standards and the Charities Act 1993.

b) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Dividend income is included net of non-recoverable UK tax credits. Interest from investment managers is received gross and shown gross.

c) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

The trustees do not employ fundraisers and therefore incurred no cost of generating funds. The bulk of the trust funds are invested in charity units managed by the fund managers and therefore the fund managers paid fee rebates to the Charity during the year.

The administration expenses are split into two categories (see note 4 & 5). The general administration expenses include rent for storage space unit, use of computer, postage, stationery and secretary's travel expenses to attend trustees' meetings.

The grants are paid in June and November during the year and therefore included on a payment basis.

No remuneration has been paid to the trustees and they have not incurred any expenses except for one of the trustee who was reimbursed for travelling expenses of £174.25 (2009 £ nil) during the year.

No staff are employed by the Charity.

d) Investments

All investments held are listed on a recognised stock exchange and are included in the accounts at their market value.

d) Gains/(losses) on investments

Realised gains represent the profit by comparing the net proceeds of sale of investment compared with the market value of that investment as at 31 December 2009 or subsequent cost.

Unrealised gains represent the difference in market value at 31 December 2010 as compared with the market value at 31 December 2009 or subsequent cost.

e) Contingent Liability - Foreign Exchange Forward Transaction

The trustees made the following foreign exchange transactions for settlement on 19 January 2011. The trust funds are exposed to movements in the euro and US\$/sterling exchange rate until the position is closed.

The resultant profit or loss will be included in next year's accounts.

18 October 2010 - Sold US\$89,334 for £56,269.

27 October 2010 - Sold euro 302,574 for £263,984.

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Notes to the Accounts
for the year ended 31 December 2010

	2010	2009
	£	£
2. Grants - see pages 9 to 10	<u>202,738.17</u>	<u>217,500</u>
3. Cost of generating funds	2010	2009
	£	£
Investment management charges	<u>50,331.90</u>	<u>30,509.00</u>
4. Governance costs	2010	2009
	£	£
Accountancy charges	8,131.01	7,984
Audit fees - 2009	1,762.50	949
Non-Trustee Secretary's Honorarium	<u>5,683.20</u>	<u>5,550</u>
	<u>15,576.71</u>	<u>14,483</u>
5. Administration costs	2010	2009
	£	£
General administration expenses	2,248.05	1,090
Subscription paid to Association of Charitable Foundations	<u>380.00</u>	<u>500</u>
	<u>2,628.05</u>	<u>1,590</u>
6. Fixed asset investments	2010	2009
	£	£
Market value at 1 January 2010	5,916,288.00	4,745,519
Additions	4,496,508.50	6,953,664
Disposals	(4,678,213.79)	(6,396,637)
Net realised investment gains/(losses)	135,983.83	(48,878)
Net unrealised investment gains/(losses)	<u>684,486.46</u>	<u>662,620</u>
Market value at 31 December 2010	<u>6,555,053.00</u>	<u>5,916,288</u>
Historical cost at 31 December 2010	<u>5,416,886.00</u>	<u>5,193,977</u>

Material investments (representing over 5% by value of the Foundation's portfolio) are as set out below:

Holding Name	Value
	£
39,736 iShares FTSE UK Gilt All Stocks ETF	420,208
8,206 iShares Markit iBoxx Corporate Bond	952,881
36,556 iShares FTSE 250 Fund	417,835
139,024 iShares Plc-Ishares Ftse 100	822,188
18,219 iShares III plc - S&P SmallCap 600	329,582
1,599,636 Lazard Global Eq Inc Instl Income	1,472,305
22,430 Weir Group plc Ord 12.5p	<u>399,254</u>

7. Liabilities: Amount falling due within one year	2010	2009
	£	£
Accountants' charges	2,056.25	4,166
Investment management charges	12,982.82	11,918
Balance at HSBC Bank overdrawn	-	118,335
	<u>15,039.07</u>	<u>134,419</u>

The James Weir Foundation
Dated 10 January 1967

Charitable Donations
for the year ended 31 December 2010

	£
Named potential beneficiaries	
British Science Foundation	5,000.00
RAF Benevolent Fund	5,000.00
Royal Society of Edinburgh	5,000.00
Royal College of Physicians	5,000.00
Royal College of Surgeons	5,000.00
University of Strathclyde	9,450.17
	<u>34,450.17</u>

	£
Other Charities in accordance with criteria in the Trustees' Report	
ABF The Soldiers' Charity	2,000.00
Aberlour	3,000.00
Age Concern Scotland	3,000.00
Age Unlimited	1,000.00
Alzheimer's Research Trust	3,000.00
Anthony Nolan Trust	3,000.00
British Lung Foundation	3,000.00
Bag Books	3,000.00
Bipolar Scotland	1,000.00
Borderline	1,000.00
Brainwave	3,000.00
Breast Cancer Campaign	3,000.00
Breast Cancer Haven	1,000.00
British Skin Foundation	3,000.00
Centre Point	3,000.00
Changing Faces	3,000.00
Children 1st	3,000.00
CLIC Sargent Scotland	3,000.00
Contact the Elderly	3,000.00
Crisis	3,000.00
Crossroads Caring Scotland	3,000.00
Cruse Bereavement Care	1,000.00
CYP Scot West	3,000.00
Demand	3,000.00
Disability Snowsport UK	3,000.00
Dressability	3,000.00
Dystonia Society	3,000.00
Epilepsy Scotland	2,288.00
FireFly International	1,000.00
Fight for Sight	3,000.00
Friendship Works	1,000.00
Glasgow Old People's Welfare Association	3,000.00
Hope UK	3,000.00
Hopscotch	3,000.00
Jubilee Sailing Trust	3,000.00
Lee Smith Foundation	3,000.00
Carried forward	<u>92,288.00</u>

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Charitable Donations
for the year ended 31 December 2010

£

Other Charities in accordance with criteria in the Trustees' Report (continued)

Brought forward	92,288.00
Maggie's	3,000.00
MDF Bipolar Organisation	3,000.00
MS Society Scotland	3,000.00
Myasthenia Gravis Association	3,000.00
National Association for Children of Alcoholics	3,000.00
National Deaf Children's Society Scotland	3,000.00
New Dimensions	1,000.00
NSF Scotland	1,000.00
PBC Foundation	3,000.00
Penumbra	3,000.00
Preshal Trust	3,000.00
Prostate UK	3,000.00
Quarriers	3,000.00
Reality	1,000.00
RNIB Scotland	3,000.00
Roy Castle Lung Cancer Foundation	3,000.00
Sailors' Families' Society	3,000.00
Scottish Spina Bifida Association	3,000.00
Scottish Veterans Residences	3,000.00
Scots/Clyde Region	1,000.00
Seafarers UK	3,000.00
SSAFA Forces help	3,000.00
Shelter	3,000.00
Spinal Injuries Scotland	3,000.00
Starlight	3,000.00
Thrive	1,000.00
Venture Trust	3,000.00
Wandsworth Mind	2,000.00
Youth Action Wiltshire	3,000.00
	<u>168,288.00</u>
Total	<u>202,738.17</u>