

The Rank Prize Fund

Report and Financial Statements

for the year ended

31st December 2010

Charity number 263819

THE RANK PRIZE FUND
Report and Financial Statements
for the year ended 31st December 2010

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THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010

The Trustees present their report and audited financial statements for the year ended 31 December 2010.

Reference and Administrative Information

Charity name:	The Rank Prize Fund
Charity registration number:	263819
Registered office:	12 Warwick Square, LONDON, SW1V 2AA
Operational address:	45 St. Mary's Road, DITTON HILL, KT6 5HB

Trustees

The Earl of Selborne GBE FRS	(Chairman)
Mr Robin Cowen CBE	
Colonel Stuart Cowen	
Professor Cyril Hilsum CBE FRS FREng	
Sir Alex Jarratt CB DL	
Mr Joseph Newton	
Professor Peter Shewry DSc	
Professor Sir William Wakeham FREng	

Scientific Advisory Committees

Nutrition (N fund)

Professor Peter Shewry DSc	(Chairman)
Professor Sir George Alberti	
Professor Simon Bright	
Professor Keith Frayn ScD PhD FRCPATH	
Professor Harry Keen CBE MD FRCP	
Professor Chris Payne OBE	Retired May 2010
Professor Malcolm Peaker DSc FRSE FRS	
Professor Christine Williams BSc PhD	

Opto-electronics (O fund)

Professor Cyril Hilsum CBE FRS FREng	(Chairman)
Professor Andrew Blake FRS FREng	
Professor Donal Bradley CBE FRS	Appointed September 2010
Professor Mike Land FRS	
Professor Rodney Loudon FRS	
Professor John Mollon DSc FRS	
Professor Gareth Parry FREng	
Professor Ian Shanks FRS FREng	
Professor Wilson Sibbett CBE FRS	
Professor Colin Webb MBE FRS	

Executive Secretary

Mrs Judith Delaney

Administrator

Mrs Susan Bristol

Financial Management

The Rank Foundation Limited, 12 Warwick Square, LONDON, SW1V 2AA

Auditor

Baker Tilly UK Audit LLP, 1st Floor, 46 Clarendon Road, WATFORD, WD17 1JJ

Bankers

National Westminster Bank plc, 1-4 Berkeley Square House, Berkeley Square, LONDON, W1J 6BR

Investment advisers

Rensburg Sheppards, 2 Gresham Street, LONDON, EC2V 7QN

Solicitors

Bates, Wells & Braithwaite, 2-6 Cannon Street, LONDON, EC4M 6YH

THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010 (continued)

Structure, Governance and Management

Governing document

The Fund was constituted by Deed of Trust executed by the late Lord Rank on 16 February 1972, shortly before his death in March of that year. It is registered as a charity operating under the working title of The Rank Prize Fund and referred to in this report as 'the Funds'. It comprises two Funds, the Nutrition Fund (N Fund) and the Opto-electronics Fund (O Fund).

The two sciences reflect the business interests of the late Lord Rank through his connection with the flour milling and cinema and electronics industries. The Trustees have power to appropriate resources from one Fund to the other.

Recruitment and appointment of Trustees

Under the provisions of clause 19(1) of the Trust Deed, new Trustees are appointed by the existing Trustees with the proviso that the maximum number of Trustees shall not exceed ten.

Clause 19(2) of the trust deed provides for a minimum number of three Trustees.

The specialist nature of the Funds' work is such that new Trustees are normally identified by the existing Trustees whose own contacts, or contacts through the members of the scientific advisory committees, enable them to identify individuals who possess the necessary skills to oversee the work.

Trustee induction and training

The Trustees all have particular skills that enable them to contribute to the work of the Funds. Those skills are kept up to date by a combination of their participation and reading in their particular areas of expertise and, more generally, by the provision of copies of literature produced by the Charity Commission and other organisations dealing with changes in legislation and current good practice.

New Trustees are provided with background information on the Funds, including copies of the Trust Deed, latest financial information and copies of minutes.

Trustees are encouraged to attend initiatives financed by the Funds to enable them to understand better those areas of science in which they do not have a particular expertise. In addition, the members of staff are always available to answer questions that arise from time to time.

Risk management

The Trustees review the major risks to which the Funds are exposed and, in accordance with the revised statement of recommended practice "Accounting and Reporting by Charities" (SORP 2005), are able to report that the major risks, as identified by them, have been reviewed and systems established to mitigate those risks.

The major risks identified are 1) damage to reputation and 2) lack of reserves to continue funding the objectives. The Trustees believe that the committee structures that are in place and the quarterly monitoring of financial performance mitigate these risks.

THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010 (continued)

Structure, Governance and Management (continued)

Organisational structure

The Trustees, who are advised by two committees of eminent scientists and academics, meet formally twice a year. The Chairmen of the committees are also Trustees of the Funds.

The involvement of the members of the advisory committees with the sciences of human and animal nutrition and crop husbandry and opto-electronics, either directly or through their extensive contacts, means that the Trustees are kept fully aware of developments in the respective fields.

Professor Donal Bradley, Department of Physics, Imperial College London, joined the O Fund Advisory Committee, commencing at its September 2010 meeting.

In May, Professor Chris Payne retired from the N Advisory Committee, and the Trustees wish to record their appreciation for his valued contribution to the work of the Funds.

The Trustees wish to record their thanks to the members of the advisory committees for their continued interest in and commitment to, the work of the Funds.

The members of staff engaged in the day-to-day administration of the Funds are employed by The Rank Foundation Limited, a registered charity established by the late Lord and Lady Rank, and the Funds reimburse the Foundation for the costs involved.

The Trustees wish to thank the members of staff for their continued help and support during the year.

Related parties

The Funds do not have any directly related parties but the Trustees are advised on the latest scientific developments and best practice by the members of the two advisory committees, the members of which belong to some of the most prestigious academic and scientific bodies in addition to having a wide network of contacts with those working at the cutting edge of the areas of the Funds' work.

Objectives and Activities

The Charity has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Funds have as their objectives the advancement and promotion for the public benefit of knowledge, education and learning in all or any of the following sciences:

- 1 crop husbandry
- 2 human nutrition
- 3 the inter-face between optics and electronics and nearly related phenomena

The first two objectives relate to the N Fund and the third to the O Fund.

THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010 (continued)

Achievements and Performance

The Trustees are conscious of the limited resources available to them and the consequent need to endeavour to target support towards individuals or initiatives that are likely to make a significant contribution to the furtherance of the two sciences, either by acknowledging past achievements in the hope of encouraging others, or in stimulating interest in a subject which is considered will be developed for the benefit of mankind. It is not the intention of the Trustees to duplicate the work of other organisations, but rather to complement that work and encourage inter-disciplinary dissemination of knowledge.

The Trustees have decided that these aims can best be achieved in the awarding of prizes in recognition of significant developments in the two areas of science, the organisation and funding of symposia on selected topics for invited participants and, to a lesser extent, in supporting selected research projects.

The Trustees do not consider unsolicited appeals.

Prizes

Prizes are awarded biennially. In February 2010 the Trustees awarded prizes totalling £235,000 (£160,000 N Fund; £75,000 O Fund) to nine scientists (four N Fund; five O Fund).

Nutrition:

Professor P. Hartmann (£50k) and Professor R. Owens (£30k)

In recognition of their research on human lactation, including methods for the non-invasive measurement of the rate of milk secretion.

Professor F. Koning (£40k) and Professor L. Sollid (£40k)

In recognition of their work on the mechanism and treatment of coeliac disease.

Opto-electronics:

Dr. S. Blum, Dr. F. L'Esperance, Jr., Dr. R. Srinivasan, Dr. S. Trokel and Dr. J. Wynne (£15k each).

For the application of excimer laser surgery to refractive correction of the cornea.

THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010 (continued)

Achievements and Performance - (continued)

Symposia

The Trustees occasionally organise international symposia, which are primarily for leaders in defined areas of the two sciences supported, and also, on a regular basis, smaller meetings, Symposia, which are designed to bring together a small number of world authorities in a particular field with younger scientists who are at the start of their careers and currently working in that field.

The subject matter and participants are identified by members of the advisory committees or contacts within the areas to be addressed by the meetings and attendance is by invitation only.

Rank Symposia and other meetings

The normal format of Rank Symposia is for some ten leading scientists in a particular field to be invited to meet with twenty or so younger researchers (under the age of 30) for 2½ days of talks and discussions.

In an informal atmosphere, all participants are required to give a presentation on their work or plans and generally there are no published proceedings. It is hoped that by creating such a forum, the younger scientists will be encouraged to explore and develop their skills and make contacts that will help them to push forward the frontiers of their science.

During 2010 a total of eight symposia were organised, all of which were held in the Lake District. The Nutrition Fund covered topics such as (1) Dietary Flavonoids: Mechanisms of Action and Human Health (2) Sensory Aspects of Pollination (3) Nutrient Sensing and Signalling (4) Nutritional Biomarkers: Present Science and Future Opportunities.

The Opto-electronics Fund covered topics on (1) Eye Movements: What Determines When and Where We Look? (2) Diamond Photonics (3) Ultrafast Biophotonics (4) High Resolution X-Ray Imaging.

Research

Nutrition

PhD Studentships:

Our third studentship (£10,000 for four years) was awarded to The University of Aberdeen. During 2010 the committee advertised a fourth studentship to commence in October 2011.

Rank Lectures:

In March, Dr Susan Jebb of the University of Cambridge gave the Diabetes UK Rank Lecture on Dietary Strategies To Prevent Type 2 Diabetes. Sir George Alberti introduced the speaker on behalf of the Funds.

In June, Professor Barry Popkin of the University of North Carolina gave the Nutrition Society Rank Lecture on Contemporary Nutritional Transition: Determinants of Diet and its Impact on Body Composition. Professor Malcolm Peaker introduced the speaker on behalf of The Funds.

THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010 (continued)

Achievements and Performance - (continued)

Research (continued)

Opto-electronics:

Opto-electronics College (OEC):

The Pilot in Scotland is now well established and proving to be very successful. Several workshops had taken place during the year and a grant from the Scottish Government had provided a further 80 kits for Scottish Schools. The Pilot in England was progressing well with the help of The Association for Science Education and The Institute of Physics, and workshops were held in London in November and December.

Additional support for English Schools has been given by the Wolfson Trust, the Maurice WOHL Trust, and the 1851 Royal Commission, and for the Scottish Schools by the MacRobert Trust. Two companies, Selex-Galileo and Cambridge Display Technology, and one defence laboratory, DSTL are giving support to 24 Schools.

50th Anniversary of the Laser / Award of the 2009 Nobel Prize to Professor Sir Charles Kao:

In June, The Prize Funds in association with The Royal Academy of Engineering, The Royal Society, University College London, The Institution of Engineering and Technology and The Institute of Physics celebrated the award of the Nobel Prize for Physics to Professor Sir Charles Kao and the 50th Anniversary of the first working Laser. the Opto-electronics Committee contributed £10k to the event.

Rank Lecture:

In August, Professor Richard Frackowiak of University College London gave the Rank Lecture on 'Has Imaging Told Us Anything New About Mechanisms of Perception?' at the European Conference on Visual Perception 2010 held at The Rolex Learning Centre, EPFL, France. Professor John Mollon represented the Opto-electronics Committee at this event.

THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010 (continued)

Financial Review

The fact that prizes are not awarded annually means that there is no meaningful relationship between the direct charitable expenditure on a year to year basis.

Incoming resources for the year amounted to £489,000 (N Fund £236,000; O Fund £253,000) which showed in total, a decrease of £17,000 (N Fund (£20,000); O Fund £3,000) on 2009.

The value of the investment portfolios improved by £1,241,000 (9.4%) (N Fund £609,000 (8.95%); O Fund £632,000 (9.88%).

Principal funding sources

The work of the Funds is financed from widely diversified investment portfolios that are managed by the investment advisers within guidelines agreed with the Trustees. Each Fund has its own portfolio which is broadly the same in constitution with differences being accounted for by differing patterns of expenditure by the two Funds.

The Trustees have unrestricted powers of investment as if they were the sole, absolute, beneficial owners of the Funds.

The Funds' assets are available and considered adequate to fulfil the obligations of the Funds.

Investment policy

The main investment objectives are to protect both capital and income from the effects of inflation, thereby providing funds to respond to identified needs whilst also securing the capital base for the long-term future.

Since April 2007 the performance of the investment advisers is being measured against a customised benchmark both on an annual and rolling three year basis.

In deciding upon investments, the Funds' investment advisers adopt a Socially Responsible Investment policy.

Reserves policy

At 31st December 2010 the Funds held reserves of £14.501m (2009 £12.82m), £7.478m (2009 £6.615m) in the N Fund and £7.023m (2009 £6.213m) in the O Fund. These reserves are the result of the appreciation of the original capital and accumulated income since the Funds were established.

At each meeting the Trustees review the level of reserve in order to ensure it is appropriate to meet the needs of the Fund. While a specific target is not set, they consider the current level necessary to maintain continued grant giving and to meet future commitments.

THE RANK PRIZE FUND
Report of the Trustees
for the year ended 31st December 2010 (continued)

Plans for future periods

The Funds propose to continue with its existing initiatives, in particular the awarding of prizes to individuals who have made outstanding contributions in the fields of animal and human nutrition, crop husbandry and Opto-electronics, and the organising of mini-symposia.

In addition, the Trustees, on the advice of the advisory committees, will consider supporting the areas of science in any other way that might be appropriate in the light of new developments.

Responsibilities of the Trustees

The Trustees are responsible for preparing the Report of the Trustees 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make reasonable and prudent judgements and estimates;
- 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 business;

The Trustees are also responsible for:

keeping proper 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 the provisions of the Deed of Trust. 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.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

SELBORNE
Chairman of the Trustees

THE RANK PRIZE FUND

Independent Auditor's Report to the Trustees of The Rank Prize Fund

We have audited the financial statements of The Rank Prize Fund Charity for the year ended 31 December 2010 on pages 11 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 1993. 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 the charity's 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 Statement of Trustees' responsibilities set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

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 2010 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; and
- 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 Report of The Trustees is not consistent with the financial statements; or
- the charity has not kept sufficient accounting records; 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.

Baker Tilly UK Audit LLP
Statutory Auditor
Chartered Accountants
46 Clarendon Road,
WATFORD WD17 1JJ

Date:

THE RANK PRIZE FUND
Statement of Financial Activities for the year ended
31 December 2010

	Notes	2010			2009		
		N	O	Total	N	O	Total
		Fund	Fund	Funds	Fund	Fund	Funds
		£'000	£'000	£'000	£'000	£'000	£'000
Incoming resources							
Incoming resources from generated funds							
Investment income	2	236	227	463	256	249	505
Incoming resources from charitable activities							
Grants and contracts		-	26	26	-	-	-
Total incoming resources		<u>236</u>	<u>253</u>	<u>489</u>	<u>256</u>	<u>249</u>	<u>505</u>
Resources expended							
Cost of generating funds		29	28	57	26	24	50
Charitable activities	3	129	143	272	387	341	728
Governance costs	3	10	8	18	9	10	19
Total resources expended		<u>168</u>	<u>179</u>	<u>347</u>	<u>422</u>	<u>375</u>	<u>797</u>
Net incoming / (outgoing) resources before other recognised gains and losses		68	74	142	(166)	(126)	(292)
Other recognised gains and losses							
Investments							
Realised net gains / (losses) on disposals		114	74	188	(296)	(268)	(564)
Unrealised gains on revaluation	8	681	662	1,343	1,309	1,180	2,489
Net movement in funds		<u>863</u>	<u>810</u>	<u>1,673</u>	<u>847</u>	<u>786</u>	<u>1,633</u>
Reconciliation of funds							
Total funds brought forward		6,615	6,213	12,828	5,768	5,427	11,195
Total funds carried forward		<u>7,478</u>	<u>7,023</u>	<u>14,501</u>	<u>6,615</u>	<u>6,213</u>	<u>12,828</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

THE RANK PRIZE FUND
Balance Sheet
at 31 December 2010

	Notes	2010			2009		
		N Fund	O Fund	Total Funds	N Fund	O Fund	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000
Fixed Assets							
Investments	8	7,413	7,031	14,444	6,804	6,399	13,203
Tangible assets	9	1	1	2	3	3	6
		<u>7,414</u>	<u>7,032</u>	<u>14,446</u>	<u>6,807</u>	<u>6,402</u>	<u>13,209</u>
Current assets							
Debtors	10	92	116	208	96	94	190
Cash at bank		163	82	245	146	128	274
		<u>255</u>	<u>198</u>	<u>453</u>	<u>242</u>	<u>222</u>	<u>464</u>
Creditors							
Amounts falling due within one year	11	(155)	(152)	(307)	(362)	(325)	(687)
Net current assets / (liabilities)		<u>100</u>	<u>46</u>	<u>146</u>	<u>(120)</u>	<u>(103)</u>	<u>(223)</u>
Total assets less current liabilities		<u>7,514</u>	<u>7,078</u>	<u>14,592</u>	<u>6,687</u>	<u>6,299</u>	<u>12,986</u>
Charitable commitments payable after more than one year	12	(44)	(45)	(89)	(72)	(86)	(158)
Total net assets		<u>7,470</u>	<u>7,033</u>	<u>14,503</u>	<u>6,615</u>	<u>6,213</u>	<u>12,828</u>
Unrestricted funds		<u>7,470</u>	<u>7,033</u>	<u>14,503</u>	<u>6,615</u>	<u>6,213</u>	<u>12,828</u>

The notes on pages 14 to 20 form part of these accounts.

These accounts were approved and authorised for issue by the Trustees on 15 March 2011 and signed on their behalf by:

Selborne

J.R. Newton

} Trustees

THE RANK PRIZE FUND
Cash Flow Statement
for the year ended 31 December 2010

	Notes	2010			2009		
		N Fund	O Fund	Total Funds	N Fund	O Fund	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000
Net cash outflow from operating activities	13	(397)	(387)	(784)	(208)	(201)	(409)
Return on investments and servicing of finance		236	227	463	256	249	505
Capital expenditure and investment							
Investments							
Proceeds from sales		827	777	1,604	826	730	1,556
Cost of purchases		(639)	(671)	(1,310)	(1,274)	(1,227)	(2,501)
Tangible assets							
Cost of purchases		-	-	-	(1)	(1)	(2)
Management of liquid resources							
(Increase) / decrease in cash available for investment		-	(1)	(1)	467	516	983
Increase / (decrease) in cash		<u>27</u>	<u>(55)</u>	<u>(28)</u>	<u>66</u>	<u>66</u>	<u>132</u>

THE RANK PRIZE FUND
Notes forming part of the financial statements
for the year ended 31 December 2010

1. Accounting policies

The financial statements have been prepared under the Charities Act 1993 in accordance with applicable accounting standards, and the related Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005) issued in March 2005 in all material aspects. The particular accounting policies adopted by the Trustees are described below:

(a) Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at mid market value.

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(b) Fund accounting

The funds are unrestricted and are available for use at the discretion of the Trustees in furtherance of the objectives of the Funds.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the Fund is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Investment income represents interest, dividends, unit trust income and interest received on un-invested cash held within the investment portfolio.

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which the Funds are unable to recover, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs of the services of the investment advisers.
- Charitable expenditure comprises grants and expenditure committed and those costs incurred by the Funds in funding its activities. It includes both actual costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Funds and include audit fees and costs linked to the strategic management of the Funds.
- Support costs are apportioned on a time basis across Charitable expenditure and Governance costs.

(e) Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of all assets by equal instalments over three years.

Investments held as fixed assets are re-valued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

THE RANK PRIZE FUND
Notes forming part of the Financial Statements
for the year ended 31 December 2010 (continued)

2. Investment income

	2010			2009		
	N Fund	O Fund	Total Funds	N Fund	O Fund	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000
Fixed interest	39	36	75	66	67	133
UK Equities	145	129	274	135	129	264
Overseas equities	42	49	91	40	37	77
Property	10	13	23	15	16	31
	<u>236</u>	<u>227</u>	<u>463</u>	<u>256</u>	<u>249</u>	<u>505</u>

3. Total resources expended

Allocation		N Fund			O Fund			Total Funds	
		Charitable expenditure	Governance	Total	Charitable expenditure	Governance	Total	2010 Total	2009 Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Direct costs	Actual	73	-	73	81	-	81	154	603
Advisory committee	Actual	2	-	2	9	-	9	11	14
Audit fee	Actual	-	4	4	-	4	4	8	6
Depreciation	Actual	2	-	2	2	-	2	4	8
Employment costs	Actual	40	-	40	40	-	40	80	80
Financial administration	Time	5	3	8	4	3	7	15	14
Office expenses	Actual	3	-	3	2	-	2	5	7
Pension	Actual	4	-	4	5	-	5	9	8
Trustees' expenses	Actual	-	3	3	-	1	1	4	7
		<u>129</u>	<u>10</u>	<u>139</u>	<u>143</u>	<u>8</u>	<u>151</u>	<u>290</u>	<u>747</u>

THE RANK PRIZE FUND
Notes forming part of the Financial Statements
for the year ended 31 December 2010

4. Net incoming / (outgoing) resources for the year

	2010			2009		
	N Fund	O Fund	Total Funds	N Fund	O Fund	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000
These are stated after charging						
Auditor's remuneration	3	4	7	3	3	6
Depreciation	2	2	4	4	4	8
	5	6	11	7	7	14

5. Staff costs and numbers

Salaries	31	31	62	31	31	62
Social security costs	4	4	8	4	4	8
Pension contributions	3	3	6	3	3	6
Private health insurance	2	2	4	2	2	4
	40	40	80	40	40	80

No employee received emoluments of more than £60,000 (2009 : Nil)

The 2 (2009: 2) members of staff engaged in the day to day administration of the Funds are employed by The Rank Foundation and are members of the Foundation's Executive Pension Plan. The Funds reimburse the Foundation for the costs involved.

The Funds do not operate a pension scheme. A former employee, who was directly employed by the Funds, is paid a pension that is funded from current incoming resources.

6. Trustee remuneration and related party transactions

None of the Trustees received any remuneration during the year (2009 : Nil).

Travel and out of pocket expenses amounting to £183 (2009: £377) were reimbursed to 3 (2009: 5) Trustees. Of this sum £100 (2009: £294) related to the N Fund and £83 (2009: £83) to the O Fund.

No Trustee or other person related to the Funds had any personal interest in any contract or transaction entered into by the Funds during the year (2009: None).

7. Taxation

The Funds are exempt from tax on income and on gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Funds.

THE RANK PRIZE FUND
Notes forming part of the Financial Statements
for the year ended 31 December 2010 (continued)

8. Investments

	2010			2009		
	N Fund	O Fund	Total Funds	N Fund	O Fund	Total Funds
	£'000	£'000	£'000	£'000	£'000	£'000
Market value at 1 January	6,804	6,399	13,203	5,810	5,506	11,316
Purchases	639	671	1,310	1,274	1,227	2,501
Sales	(711)	(700)	(1,411)	(1,122)	(998)	(2,120)
Decrease in cash	-	(1)	(1)	(467)	(516)	(983)
	<u>6,732</u>	<u>6,369</u>	<u>13,101</u>	<u>5,495</u>	<u>5,219</u>	<u>10,714</u>
Adjustment to record market value of investments	681	662	1,343	1,309	1,180	2,489
Market value at 31 December	<u>7,413</u>	<u>7,031</u>	<u>14,444</u>	<u>6,804</u>	<u>6,399</u>	<u>13,203</u>
Historical value at 31 December	<u>6,622</u>	<u>6,308</u>	<u>12,930</u>	<u>6,694</u>	<u>6,626</u>	<u>13,320</u>
Fixed interest	1,228	1,174	2,402	1,329	1,344	2,673
UK equities	4,427	4,171	8,598	4,002	3,796	7,798
Overseas equities	1,385	1,309	2,694	1,156	879	2,035
Property	319	301	620	264	302	566
Cash held with the portfolio	54	76	130	53	78	131
Market value at 31 December	<u>7,413</u>	<u>7,031</u>	<u>14,444</u>	<u>6,804</u>	<u>6,399</u>	<u>13,203</u>

No single investment represented more than 5% of the value of the respective portfolios.

THE RANK PRIZE FUND
Notes forming part of the Financial Statements
for the year ended 31 December 2010 (continued)

9. Tangible fixed assets

	Notes	2010			2009		
		N	O	Total	N	O	Total
		Fund	Fund	Funds	Fund	Fund	Funds
		£'000	£'000	£'000	£'000	£'000	£'000
Motor car, furniture & equipment							
Cost at 1 January		12	12	24	11	11	22
Additions		-	-	-	1	1	2
Cost at 31 December		<u>12</u>	<u>12</u>	<u>24</u>	<u>12</u>	<u>12</u>	<u>24</u>
Depreciation at 1 January		9	9	18	5	5	10
Charge for the year		2	2	4	4	4	8
Depreciation at 31 December		<u>11</u>	<u>11</u>	<u>22</u>	<u>9</u>	<u>9</u>	<u>18</u>
Net book value at 31 December		<u><u>1</u></u>	<u><u>1</u></u>	<u><u>2</u></u>	<u><u>3</u></u>	<u><u>3</u></u>	<u><u>6</u></u>
10. Debtors							
Investment income receivable		87	83	170	86	84	170
Tax recoverable		-	4	4	-	-	-
Trade debtors		-	24	24	-	-	-
Prepayments		5	5	10	10	10	20
		<u>92</u>	<u>116</u>	<u>208</u>	<u>96</u>	<u>94</u>	<u>190</u>
11. Creditors							
Amounts falling due within one year							
Other creditors and accruals		13	11	24	38	45	83
Charitable commitments	12	142	141	283	324	280	604
		<u>155</u>	<u>152</u>	<u>307</u>	<u>362</u>	<u>325</u>	<u>687</u>

THE RANK PRIZE FUND
Notes forming part of the Financial Statements
for the year ended 31 December 2010 (continued)

12. Charitable commitments

Notes	2010			2009		
	N	O	Total	N	O	Total
	Fund	Fund	Funds	Fund	Fund	Funds
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January	<u>396</u>	<u>366</u>	<u>762</u>	<u>186</u>	<u>200</u>	<u>386</u>
Made in the year	115	124	239	344	280	624
Cancellations / recoveries	(42)	(43)	(85)	(17)	(5)	(22)
Commitments settled	(283)	(261)	(544)	(117)	(109)	(226)
Movements in the year	<u>(210)</u>	<u>(180)</u>	<u>(390)</u>	<u>210</u>	<u>166</u>	<u>376</u>
At 31 December	<u>186</u>	<u>186</u>	<u>372</u>	<u>396</u>	<u>366</u>	<u>762</u>
Payable as follows:						
Within one year	142	141	283	324	280	604
After more than one year	44	45	89	72	86	158
At 31 December	<u>186</u>	<u>186</u>	<u>372</u>	<u>396</u>	<u>366</u>	<u>762</u>
Commitments settled:						
Opto-electronics college	-	66	66	-	30	30
Prizes	160	75	235	-	-	-
Prize giving expenses	18	18	36	-	-	-
Symposia & forums	83	101	184	85	79	164
Lectures	2	1	3	2	2	4
Studentships	20	-	20	30	(2)	28
	<u>283</u>	<u>261</u>	<u>544</u>	<u>117</u>	<u>109</u>	<u>226</u>

THE RANK PRIZE FUND
Notes forming part of the Financial Statements
for the year ended 31 December 2010 (continued)

**13. Reconciliation of changes in resources
to net cash outflow from operating activities**

Notes	2010			2009		
	N	O	Total	N	O	Total
	Fund	Fund	Funds	Fund	Fund	Funds
	£'000	£'000	£'000	£'000	£'000	£'000
Changes in resources before transfers and valuations	68	74	142	(166)	(126)	(292)
Investment income	(236)	(227)	(463)	(256)	(249)	(505)
Depreciation charge	2	2	4	4	4	8
Decrease in debtors	4	(22)	(18)	(28)	(27)	(55)
(Decrease) / increase in creditors	(207)	(173)	(380)	222	118	340
(Decrease) / increase in provision for charitable commitments payable after more than one year	(28)	(41)	(69)	16	79	95
	<u>(397)</u>	<u>(387)</u>	<u>(784)</u>	<u>(208)</u>	<u>(201)</u>	<u>(409)</u>
14. Analysis of changes in cash						
At 1 January	146	128	274	80	62	142
Net cash inflow / (outflow)	17	(46)	(29)	66	66	132
At 31 December	<u>163</u>	<u>82</u>	<u>245</u>	<u>146</u>	<u>128</u>	<u>274</u>

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