

**THE NATURAL HISTORY MUSEUM  
COCKAYNE FUND**

**Registered Charity No. 313550**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MARCH 2009**

**The Natural History Museum  
Cockayne Fund  
Trustees' Annual Report  
For the year ended 31st March 2009**

**Legal and administrative details**

**Charity name and number**

The Cockayne Trust  
Registered charity no. 313550

**Principal address**

The Natural History Museum, Cromwell Road, London SW7 5BD.

**Trustees**

The Director of the Natural History Museum  
The Director of Finance of the Natural History Museum  
The Keeper of Entomology of the Natural History Museum

Dr. Michael Dixon  
Neil Greenwood  
Dr. Malcolm Scoble

**Bankers:**

National Westminster Bank, 186 Brompton Road, London SW3 1HH.

**Legal advisors:**

Farrer and Co., 66 Lincoln's Inn Fields, London WC2A 3LH

**Auditors:**

Kingston Smith LLP, Chartered Accountants, Devonshire House, 60 Goswell Road, London EC1M 7AD.

# The Natural History Museum

## Cockayne Fund

### Trustees' Annual Report

#### For the year ended 31st March 2009

#### Background and status

The Trustees of the Natural History Museum hold a collection of British lepidoptera (known as the Rothschild - Cockayne - Kettlewell collection) which consisted, in part, of a collection donated by Edward Alfred Cockayne. On 27th May 1951 a trust deed was executed, establishing the Cockayne Trust, whereby Cockayne, by means of cash investments and other donated assets, would make financial provision for the purpose of improving and promoting the collection.

The Cockayne Trust is a registered charity administered by The Natural History Museum which is itself an exempt charity under the Charities Act 1993 and has been granted full charitable status for tax purposes by the Inland Revenue.

#### Objectives

The original trust deed specified that the funds should be applied to the promotion, encouragement and study of entomology, and making improvements to and furnishing information about the collection (i.e. purchasing specimens and reproducing illustrations). However should the collection cease to exist or it become inappropriate to apply income as specified in the original deed, it is permissible for the income to be applied more generally to the promotion and improvement of British lepidoptera.

A variation to the trust deed was made on 17th July 1990 which allowed income to be applied to the Cockayne Research Fellowship. Such research awards are limited to a maximum of £1,000 per year and may be renewable annually for a maximum of three years.

#### Management and governance

The trust deed provides for 3 trustees who occupy specified (or equivalent) positions at the Natural History Museum – namely the Museum Director, the Director of Finance and the Keeper of Entomology. The Trustees meet at least on an annual basis to receive a report on activity, to review the financial position, and the reserves and investments policies. The Trustees met on 2nd April 2009.

Income arising from the Trust's investments is passed by the Trustees to a Committee to cover the costs of managing the fund and to fulfil the terms of the deed. The Committee consists of:

The Director of the Natural History Museum	Dr M Dixon
The Keeper of Entomology of the Natural History Museum	Dr M Scoble
An appointee of the Trustees of the Natural History Museum but not a Museum employee	Prof C Godfray
A Representative of The Royal Entomological Society	Mr J Badmin
A Representative of The British Entomological & Natural History Society	Dr J Muggleton

The Committee normally meets once year to receive reports on the collection, to review activity, to make future plans and to note the financial position. The Committee last met on 2nd April 2009.

#### Activities during the year

Since the first part of the Cockayne collection website, which covered British and Irish butterflies, was launched in 2004, work has continued on imaging the British and Irish macrolepidoptera (3,840 images). The launch of the second phase of the website took place in June 2008.

#### Future plans

Following the launch of the second phase of the website it is intended that digitisation of the microlepidoptera will commence from early 2010.

**The Natural History Museum  
Cockayne Fund  
Trustee's Annual Report  
For the year ended 31st March 2009 (continued)**

**Financial review**

During the year the value of the Trust decreased by £23,753 which reflects a fall in the value of the investments by £29,631 and net incoming resources of £5,878. The Trust received income amounting to £6,062 (2008 – £5,771) and incurred expenditure of £184 (2008 - £263). At 31st March 2009 the value of the unrestricted reserve amounted to £43,723 (2008 - £37,845) and the value of the permanent endowment investments amounted to £91,361 (2008 - £120,992).

**Reserves policy**

The reserves policy which was endorsed by the Trustees on 2nd April 2009 is to apply funds in accordance with the objectives of the fund, and in particular it is anticipated that the reserves and income will be applied to developing further phases of the website.

**Investment policy**

The investment policy which was approved by the Trustees on 2nd April 2009 is to achieve a balance between income and growth with moderate to low risk.

**Auditors**

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 1985 it is proposed that they be re-appointed auditors for the ensuing year.

On behalf of the Board of the Trustees

Dr. Michael Dixon

Date : 3 July 2009

**The Natural History Museum Cockayne Fund  
Trustees' Responsibilities and Report of the Auditors  
Statement of Trustees' Responsibilities**

**Independent Report of the Auditors to the Trustees of  
The Natural History Museum Cockayne Fund**

We have audited the financial statements of the Cockayne Fund for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective Responsibilities of Trustees and Auditors**

The trustees' responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

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' 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 in respect of trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of Audit 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 which 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.

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31st March 2009 and of its incoming resources and application of resources, including the income and expenditure of the charity for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

Devonshire House  
60 Goswell Road  
London EC1M 7AD

Date: 6 July 2009

**Kingston Smith LLP**  
Chartered Accountants  
and Registered Auditors

**The Natural History Museum  
Cockayne Fund  
Statement of Financial Activities  
For the year ended 31st March 2009**

	Note	Unrestricted Funds £	Permanent Endowment Funds £	Total 2009 £	Total 2008 £
<b>Incoming Resources</b>					
Investment income	2	6,062	-	6,062	5,771
<b>Resources Expended</b>					
<b>Costs of generating funds</b>					
		-	-	-	-
<b>Charitable Expenditure</b>					
		-	-	-	-
Grants payable	3	-	-	-	-
Governance costs	4	184	-	184	263
<b>Total Resources Expended</b>		184	-	184	263
<b>Net Incoming Resources</b>		5,878	-	5,878	5,508
Unrealised (losses)/gains on investment assets		-	(29,631)	(29,631)	(11,297)
<b>Net Movement in Funds</b>		5,878	(29,631)	(23,753)	(5,789)
Fund balances brought forward at 1st April 2008		37,845	120,992	158,837	164,626
<b>Fund Balances carried forward at 31st March 2009</b>		<b>43,723</b>	<b>91,361</b>	<b>135,084</b>	158,837

The notes on pages 7 and 8 form part of these financial statements.

**The Natural History Museum  
Cockayne Fund  
Balance Sheet at 31st March 2009**

	Note	2009		2008	
		£	£	£	£
<b>Fixed Assets</b>					
Investments - As held for direct charitable purposes	6		91,361		120,992
<b>Current Assets</b>					
Debtors	7	154		100	
Bank deposit accounts		41,173		32,981	
Bank current accounts		<u>2,540</u>		<u>4,881</u>	
			43,867		37,962
<b>Current Liabilities</b>					
Creditors	8	<u>(144)</u>		<u>(117)</u>	
<b>Net Current Assets</b>			<u>43,723</u>		<u>37,845</u>
<b>Net Assets</b>			<u>135,084</u>		<u>158,837</u>
<b>Funds</b>					
Unrestricted			43,723		37,845
Permanent endowment			<u>91,361</u>		<u>120,992</u>
	9		<u>135,084</u>		<u>158,837</u>

Approved by the Board of Trustees and authorised for issue on 3 July 2009

Dr. Michael Dixon  
Trustee

The notes on pages 7 and 8 form part of these financial statements.

# The Natural History Museum Cockayne Fund

## Notes to the Financial Statements For the year ended 31st March 2009

### 1 Accounting Policies

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and to conform with the requirements of the Statement of Recommended Practice (Accounting and Reporting by Charities) revised in 2005. Accounting policies have remained unchanged from the previous year.

Income arising and expenditure incurred during the year are accounted for on an accruals basis.

Investment income is shown inclusive of tax credits reclaimed in the year.

Investments are included at market value at the balance sheet date.

#### Funds

The Unrestricted Funds are funds which the Trustees are free to use in accordance with the charitable objectives.

The Permanent Endowment Fund represents assets which must be held permanently by the charity.

### 2 Investment Income

	2009	2008
	£	£
COIF Charities Investment Fund dividends	2,899	2,597
Charinco Common Investment Fund dividends	348	348
Invesco Perpetual Exempt Fund dividends	1,494	1,299
Legal & General L & G (Barclays) Capital Trust dividends	89	76
Bank interest	1,232	1,451
	<u>6,062</u>	<u>5,771</u>

### 3 Charitable Grants

No grants were made in the year.

### 4 Governance costs

	2009	2008
	£	£
The major expenses within this category are as follows:		
Audit and accountancy	115	117
Other admin	69	146
	<u>184</u>	<u>263</u>

### 5 Trustees' Remuneration

The Trustees did not receive remuneration or reimbursement of expenses from the Trust.

**The Natural History Museum  
Cockayne Fund  
Notes to the Financial Statements  
For the year ended 31st March 2009**

<b>6 Investments</b>	<b>Market Value 2008 £</b>	<b>(Decrease)/ Increase £</b>	<b>Market Value 2009 £</b>
6,925 income shares in the COIF Charities Investment Fund	74,527	(20,178)	<b>54,349</b>
3,483 income shares in the Charinco Common Investment Fund	6,210	48	<b>6,258</b>
11,121 units in the Invesco Perpetual Exempt Fund	36,818	(8,277)	<b>28,541</b>
1,562 units in the Legal & General L & G (Barclays) Capital Trust	3,437	(1,224)	<b>2,213</b>
	<u>120,992</u>	<u>(29,631)</u>	<u><b>91,361</b></u>

<b>7 Debtors</b>	<b>2009 £</b>	<b>2008 £</b>
Due from Inland Revenue	<u>154</u>	<u>100</u>

<b>8 Creditors</b>	<b>2009 £</b>	<b>2008 £</b>
Accruals - Audit fees	<u>144</u>	<u>117</u>

<b>9 Funds</b>	<b>Balance at 1st April 2008 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Gain/ (Loss) on Investments £</b>	<b>Balance at 31st March 2009 £</b>
Unrestricted	37,845	6,062	(184)	-	<b>43,723</b>
Permanent Endowment	120,992	-	-	(29,631)	<b>91,361</b>
	<u>158,837</u>	<u>6,062</u>	<u>(184)</u>	<u>(29,631)</u>	<u><b>135,084</b></u>

The endowment fund represents those assets that must be held permanently by the charity, principally investments. Income arising on the fund can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains/(losses) arising on the investments forms part of the fund.

<b>10 Allocation of Assets between Funds</b>	<b>Unrestricted £</b>	<b>Permanent Endowment £</b>	<b>Total £</b>
Investments	-	91,361	<b>91,361</b>
Current assets	43,867	-	<b>43,867</b>
Current liabilities	(144)	-	<b>(144)</b>
	<u>43,723</u>	<u>91,361</u>	<u><b>135,084</b></u>