

## March 2010

**The severity of the economic downturn has done a lot of damage to the charity sector. This past year, according to Charity Commission numbers, donations to UK charities have fallen by 11%.**

Of course, the charities that the Peter Culverhouse Memorial Trust supports need a steady stream of income regardless of the economic climate. The costs of running a hospice, or of undertaking medical research, do not fluctuate with the level of economic growth. Indeed, to the extent that charities depend on investment incomes, the current economic climate can make things worse by depriving them of additional income.

In spite of the economic problems, the supporters of the PCMT have continued to offer a fantastic level of support. Donations this year amounted to £10,973.09, virtually indistinguishable from last year's £11,308.45. Moreover, our investment income has held up extremely well. The PCMT endowment is invested in a bond fund (which is low risk). While interest rates today are very low, we locked in previous year's investments at a higher yield, and are benefitting from this now. As a result we have received income of £1,551.56 from the endowment. Charges amounted to £304.41, so the donations after deducting costs totalled £10,820.94, and the investment income after costs was £1,399.41.

At the start of the current fundraising year, the PCMT trustees took the decision to vary the formula for distributing the PCMT's income. Previously, half of all donations were invested in the endowment, and half all donations plus all investment income were distributed to our two charities. This year, taking into account the more difficult fund raising environment our charities face, and bearing in mind that new investments in the endowment will earn a lower rate of interest, we have decided that donations will be split into three equal portions: one third of all donations will be invested in the endowment, and two thirds will be divided between our charities. As in previous years, all income from the endowment's investment portfolio is split equally between the charities (after admin costs).

This means that, for the current fundraising year, we will be donating £4,306.68 to the Princess Alice Hospice ([www.pah.org.uk](http://www.pah.org.uk)), and £4,306.68 to the SDBTT. Meanwhile £3,606.98 has been put into our endowment, which at a book value now stands at £41,873.46.

This year marks the sixth year that the PCMT has been able to support its chosen charities. This year our donations are 64% higher than they were in our first year, and under the new formula our donations are the largest that we have ever made.

Our cancer research charity has changed this year. In recent times we have supported the Astro Fund, and indeed were their second largest donor. After several years of providing medical research funding, however, the Astro fund has decided to focus on patient care. The original intention of the Trustees was to divide our support equally between patient care (through the Princess Alice Hospice) and medical research. Accordingly the trustees are using the PCMT's "research" donation to support the SDBTT, who continue to finance research into brain tumours. The SDBTT has funded around £300,000 of research into low grade gliomas over the last ten years – our donation this year amounts to nearly 15% of the annual average research funding. Full details of their work can be found at [www.braintumourtrust.co.uk](http://www.braintumourtrust.co.uk)

As always full details of the PCMT can be found on our website, which includes a complete set of the accounts – [www.pcm.org](http://www.pcm.org). And of course, no newsletter would be complete without a reminder that the next golf day is 11 June 2010, at Clandon Regis. David and Yvonne Culverhouse will happily take bookings for golf or for the dinner.

Finally, on behalf of the trustees, many thanks to everyone for their ongoing generosity and support. The economic downturn has put a strain on everyone. The healthy state of the PCMT is something we feel very proud to be a part of.

Nick, Paul, Tom and Mark