

**The John D.V. Salvador Foundation, UK**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED OCTOBER 31, 2006**

## **The John D.V. Salvador Foundation, UK**

### **Review Report**

To The John D.V. Salvador Foundation

We have reviewed the accompanying financial statements comprising the statement of financial activities from November 1, 2005 to October 31, 2006 and the balance sheet as of October 31, 2006 as well as the notes to the financial statements of The John D.V. Salvador Foundation. These financial statements in accordance with UK Charities Act 1993 are the responsibility of the The John D.V. Salvador Foundation's management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) applicable to review engagements. These standards require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying receipts and payments accounts are not presented fairly, in all material respects in accordance with UK Charities Act 1993.

This review report is issued for information purposes to The John D.V. Salvador Foundation and must not be used in any other context than information purposes to the directors and officers of The John D.V. Salvador Foundation. This review report must not, in particular, be handed out to third parties or included in sales prospectuses or similar public documents or media.

**The John D.V. Salvador Foundation, UK**

Our assignment and professional liability is governed by the General Conditions of Assignment for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2002. By reading and using the information contained in this report, each recipient confirms notice of provisions of the General Conditions of Assignment (including the limitation of our liability as stipulated in No. 9) and accepts the validity of the attached General Conditions of Assignment with respect to us.

Frankfurt am Main, December 10, 2006

KPMG Deutsche Treuhand-Gesellschaft  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft

Becker  
*Wirtschaftsprüfer*

Wiechens  
*Wirtschaftsprüfer*

**STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED OCTOBER 31, 2006**

	Unrestricted Funds £	Restricted Funds £	Total 2006 £
<b>INCOMING RESOURCES</b>			
Voluntary Income	94,416	-	94,416
Investment Income	38	-	38
<b>Total incoming resources</b>	<b>94,454</b>	<b>-</b>	<b>94,454</b>
<b>RESOURCES EXPENDED</b>			
Charitable activities	40,516	-	40,516
Governance costs	5,599	-	5,599
<b>Total resources expended</b>	<b>46,115</b>	<b>-</b>	<b>46,115</b>
Net (expenditure) / income for the year and net movement in funds	48,339	-	48,339
Balance brought forward at November 1	-	-	-
<b>Balance carried forward at October 31</b>	<b>48,339</b>	<b>-</b>	<b>48,339</b>

The accompanying notes form part of these financial statements.

**The John D.V. Salvador Foundation, UK**

**BALANCE SHEET  
AS OF OCTOBER 31, 2006**

	2006
	£
<b>Current Assets</b>	
Cash at bank and in hand	48,339
<b>Total current assets</b>	<u>48,339</u>
<b>Creditors</b>	<b>0</b>
<b>Net assets</b>	<u><u>48,339</u></u>
<b>Funds</b>	
Unrestricted funds	48,339
<b>Total funds</b>	<u><u>48,339</u></u>

The accompanying notes form part of these financial statements.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD  
ENDED OCTOBER 31, 2006**

**1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are material in relation to the financial statements.

- (a) Basis of preparation  
The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", published in March 2005, applicable accounting standards and the Companies Act 1985.
- (b) Incoming resources  
All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Donations are recognised when received.
- (c) Resources expended  
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.
- (d) Fund accounting  
Funds held by the charity are unrestricted general funds. These are funds which can be used in accordance with the charitable objects at the discretion of the trustees.