

**The Jephcott Charitable Trust**  
**Financial Statements**  
**For the Year Ended 30th June 2007**

**The Jephcott Charitable Trust**

**Trustees' Report**  
**for the year ended 30th June 2007**

The Trustees present their Annual Report and Accounts for the year ended 30th June 2007.

**Reference and Administrative Details**

Full Name of Charity: The Jephcott Charitable Trust

Charity Registration Number: 240915

Governing Instrument: Irrevocable Trust Deed dated the 7th January 1965

Constitution of Charity: Trustees Incorporated as a body

The Trustees who served during  
the year:

Lady Jephcott (Chairman)  
Judge A North (Deputy Chairman)  
H S Wolley ACA  
K Morgan  
J Bunnell (resigned 23rd April 2007)  
Mrs C Thomas

All the Trustees are appointed by the Board of Trustees

Secretary to the Trustees: Mrs M Harris

Principal address of Charity: Cotley  
Streatham Rise  
Exeter  
Devon  
EX4 4PE

Auditors: Hodgsons  
12 Southgate Street  
Launceston  
Cornwall  
PL15 9DP

Bankers: Bank of Scotland  
17 Dix's Field  
Exeter  
Devon  
EX1 1UZ

Fund Managers: M & G Securities Limited  
M & G House  
Victoria Road  
Chelmsford  
CM1 1FB

Website: [www.jephcottcharitabletrust.org.uk](http://www.jephcottcharitabletrust.org.uk)

**The Jephcott Charitable Trust**  
**Trustees' Report**  
**For the year ended 30th June 2007**  
**(continued)**

**Structure, Governance and Management**

*Organisation of the Charity*

The Trustees, who are listed on page 1, formulate the policies of the Charity including the nature of projects supported as well as the financial controls, under which the Charity operates.

The Trustees meet twice a year to consider and decide on the award of charitable donations and to review investment performance.

The Trustees have in place a finance sub-committee that reviews the investments held and compares these to the benchmark reports published by the Investment Managers. Where applicable it takes advice from various professional quarters. The sub-committee then reports to the main committee of Trustees, highlighting its recommendations. The recommendations of the sub-committee cover such areas as investment of surplus funds, purchase and sale of existing funds etc. The sub-committee also reviews the investments to ensure that they are producing sufficient income to meet the needs of the Charity.

The Board has the services of a Secretary who administers the Charity under their direction.

*Training, Induction and Appointment of Trustees*

New Trustees are appointed on the recommendation of the Chairman, taking into consideration the specific skills and knowledge of the appointee and the requirements of the Board as a whole. New Trustees attend a Trustees' meeting before they are appointed, receive a full briefing from the Chairman and written guidelines.

*Risk Assessment*

The major risks to which the Charity is exposed, as identified by the Trustees, continue to be reviewed and systems have been established to mitigate those risks.

**Objectives and Activities**

The objects of the Charity remain:

1. To apply income or capital for charitable purposes.
2. The Trustees have powers to advance funds for charitable purposes, be these general or specific.
3. The Trustees have particular interest in making grants to organisations requiring start-up funds in both the United Kingdom and overseas.
4. The Mission Statement of the Charity states that the current priorities are directed towards population control, education and health and the environment.

*Grant Making Policy*

The Trustees receive reports from institutions requesting grant assistance. The Board of Trustees then considers these reports and decides whether to make the grant. The Trustees also receive follow up reports on the projects for which the grant was made. If these reports are not satisfactory any grant balance may be withheld or the Trustees may request repayment of the grant.

**The Jephcott Charitable Trust**  
**Trustees' Report**  
**For the year ended 30th June 2007**  
**(continued)**

**Achievements and Performance**

Each year the Trustees strive to distribute funds to as many applicants as possible. The applications are considered in detail and, provided they are acceptable, the Trustees distribute funds as requested. The Trustees have the authority to distribute either capital or income. In recent years the number of successful applications has been the only limiting factor on the amount of monies distributed.

During this year the Charity generated £274,608 (2006 - £271,311) of income from its investment portfolio. From this income it distributed £291,200 (2006 - £230,366) to other charitable institutions and incurred £12,714 (2006 - £12,368) of support costs.

Undistributed funds have been retained. Support costs for the year are 4.6% of the investment income (2006 - 4.6%).

The total market value of the investments at the 30th June 2007 was £5,819,594 (2006 - £5,464,902). Full disclosure of the investments is in Note 7. The capital value, as adjusted for additions and disposals, increased by 5.8% (2006 - 5.7%). The investment income was approximately 5.5% of capital value. The Trustees consider that the total return is satisfactory, when compared to Association of Private Client Investment Managers and Stockbrokers (ACPIMS).

**Financial Review**

As shown on the Statement of Financial Activities (SOFA) on Page 7, expenditure exceeded income by £27,720 (2006 - Income exceeded expenditure by £55,040). However, total funds including unrealised gains/realised losses on investments increased by £276,972 (2006 - £349,515). The net Balance Sheet at 30th June 2007 is £5,924,735 (2006 - £5,647,763).

The Trustees receive quarterly reports for benchmarking purposes and are satisfied that, allowing for the vagaries of the stock market, the Trust has invested in the best pooled funds. The Trustees are satisfied that the pooled funds chosen for the management of the trust assets are amongst the best performers. The Trustees endeavour to balance risk and income and have, in the current year, increased the percentage of equity holding.

*Investment Policy*

The Trustees' Investment Policy has been to preserve the true value of the fund by investing in managed pooled funds, which have mitigated the risks inherent in direct investment. Performance of the managed pooled funds is regularly monitored by the Trustees against independent performance measurement. The Trust Deed gives the Trustees unrestricted investment powers. All investments held have been acquired in accordance with the powers available to the Trustees.

*Reserves Policy*

The Trustees' policy on reserves is to maintain the value of the total funds in real terms, even if this requires the retention of income, and not to accumulate income, provided that there are sufficient applications for grants considered by the Trustees to be suitable for support. The target for June 2007 was £5,625,000, which sum allowed for inflation since the original target of £5,000,000 was set in June 2003.

*Future Plans*

The Trustees do not plan any significant changes to the Trust's activities in the medium term.

**The Jephcott Charitable Trust**

**Trustees' Report**  
**For the year ended 30th June 2007**  
**(continued)**

**Financial Review (continued)**

*Statement of Trustees' Responsibilities*

The Trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom generally accepted accounting practice.

Law applicable to Charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will remain in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the financial statements comply with the regulations under S42(1) of the Charities Act 1993 and the Charities (Accounts and Reports) Regulations 1995, and the Charities (Accounts and Reports) Regulations 2005, both made under Part VI. They are also responsible for safeguarding the Charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that the accounts comply with the statutory requirements, the governing document and the SORP.

Lady Jephcott  
TRUSTEE

Date: \_\_\_\_\_

**Jephcott Charitable Trust**

**Independent Auditor's Report to the Trustees of  
Jephcott Charitable Trust**

We have audited the financial statements of Jephcott Charitable Trust for the year ended 30th June 2007, which comprise of the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 43 of 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 Auditors*

The Trustees' responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 United Kingdom Accounting Standards.

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.

We are not required to consider whether the statement in the Trustee's Report concerning the major risks to which the Charity is exposed covers all the existing risks and controls, or to form an opinion of the effectiveness of the Charity's risk management and control procedures.

We read other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

*Basis of Opinion*

We conducted our audit in accordance with United Kingdom Accounting Standards issued by the Auditing Practices Board. An audit 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 an 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 of the state of the Charity's affairs as at 30th June 2007 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993.

Hodgsons  
Chartered Accountants and Registered Auditors  
12 Southgate Street  
Launceston  
Cornwall  
PL15 9DP

Date: \_\_\_\_\_

**The Jephcott Charitable Trust**

**Balance Sheet as at 30th June 2007**

	Notes	£	2007 £	£	2006 £
<b>Fixed Assets:</b>					
Heritage Asset	6		40,000		40,000
Investments	7		<u>5,819,594</u>		<u>5,464,902</u>
			5,859,594		5,504,902
<b>Current Assets:</b>					
Debtors	8	9,724		171	
Cash at Bank and in Hand		<u>57,499</u>		<u>146,555</u>	
		67,223		146,726	
<b>Current Liabilities:</b>					
Amounts falling due within one year.					
Creditors	9	<u>2,082</u>		<u>3,865</u>	
Net Current Assets			<u>65,141</u>		<u>142,861</u>
<b>Total Assets less Current Liabilities</b>			£ <u>5,924,735</u>		£ <u>5,647,763</u>
<b>Represented By:</b>					
Unrestricted Fund			<u>5,924,735</u>		<u>5,647,763</u>
			£ <u>5,924,735</u>		£ <u>5,647,763</u>

Approved by the Board of Trustees on \_\_\_\_\_ and signed on its behalf by:

Lady Jephcott  
Trustee

H S Wolley  
Trustee

The notes on pages 8 to 11 form part of these Accounts

**The Jephcott Charitable Trust**  
**Statement of Financial Activities**  
**For the year ended 30th June 2007**

	Notes	Total Unrestricted Funds 2007 £	Total Unrestricted Funds 2006 £
<b>Incoming Resources</b>			
Voluntary Income	2	1,586	26,463
Investment Income	3	<u>274,608</u>	<u>271,311</u>
Total Incoming Resources		<u>276,194</u>	<u>297,774</u>
<b>Resources Expended:</b>			
Charitable Activities			
Grants payable	4	291,200	230,366
Support costs	5	<u>12,714</u>	<u>12,368</u>
<b>Total Resources Expended</b>		<u>303,914</u>	<u>242,734</u>
Net (Resources Expended)/ Incoming Resources for the Year before other recognised gains and losses		(27,720)	55,040
Net Gains (and losses) on revaluation and disposal of Investment Assets	7	<u>304,692</u>	<u>294,475</u>
Net Movements in Funds for the Year		276,972	349,515
Fund balance brought forward		<u>5,647,763</u>	<u>5,298,248</u>
Fund balance carried forward		<u>£ 5,924,735</u>	<u>£ 5,647,763</u>

All Funds held by the Trustees are unrestricted.

The notes on pages 8 to 11 form part of these Accounts.

**The Jephcott Charitable Trust**

**Notes to the Accounts**  
**For the year ended 30th June 2007**

**1 Accountancy Policies**

- (a) The accounts have been prepared in accordance with the applicable SORPs, accounting standards and the Charities Act 1993.
- (b) Assets and liabilities are shown at historic cost except for investments that have been included at revalued amounts.
- (c) All receipts and payments are shown gross except in relation to investment income as referred to below.
- (d) Incoming Resources:
- Gifts in Kind: All Gifts in Kind are recognised in the Statement of Financial Activities (SOFA) within voluntary income and are included at their market value at the date of the gift.
- Investment Income: This is accounted for in the year during which it is received. Expenses incurred in relation to this income are not separately identified and therefore are netted off income.
- Legacies: Legacies are recognised in the SOFA when the funds are received into the Charity's bank accounts.
- Gift Aid: Gift Aid is recognised in the accounts at the same time as the donation to which it relates.
- All incoming resources are unrestricted and none are deferred.
- (e) Resources Expended:
- The resources expended are included in the accounts as soon as they are agreed as payable by the Trustees.
- No costs are apportioned.
- (f) Investments:
- The Trustees' policy is to hold investments primarily in order to generate income for the support of the Charity's aims over the long-term. The investments are stated in the accounts at market value.
- (g) Realised and Unrealised Gains and Losses:
- Realised and unrealised gains and losses on investments are added to/subtracted from the unrestricted funds.
- (h) Fund Structure:
- There is one fund within the Charity, which is the unrestricted fund. The movement on this fund is shown on the Statement of Financial Activities.

<b>2 Voluntary Income</b>	2007	2006
	£	£
Legacy	-	25,000
Other small donations	1,150	855
Gift Aid Tax Recovered	436	608
	<u>£ 1,586</u>	<u>£ 26,463</u>

**The Jephcott Charitable Trust**

**Notes to the Accounts**

**For the year ended 30th June 2007**

(continued)

**3 Investment Income**

	2007	2006
	£	£
Investments listed on the Stock Exchange	9,120	8,360
Common Investment Funds:		
Charifund	137,908	117,092
Charibond	95,964	114,470
Charities Property Fund	26,741	26,741
Interest Received	4,875	4,648
	<u>£ 274,608</u>	<u>£ 271,311</u>

All Investment Income has been generated from investment assets in the United Kingdom.

**4 Charitable Expenditure**

	2007	2006
	£	£
<b>Grants Payable:</b>		
<u>Health:</u>		
All Ears Cambodia (2 grants this year)	5,800	-
Appropriate Technology	-	6,850
Atiamah Trust	-	3,000
Bazaruto Project	(9,400)	-
Beira Mozambique	16,600	-
Birmingham Boys and Girls Union	5,000	-
Chernobyl Children in Need	3,560	5,750
Happy Child	15,000	-
Help Tibet	-	10,000
Highway Hospice	-	10,000
Hilda Trust	-	5,000
House of Hope	20,000	-
Karuna	10,000	-
Malaria Control	-	10,500
Peru Dental Project	5,700	-
Peru Shantytown	-	6,000
St Helena's Hospice	5,000	5,000
Youlgrave Bangatt Village Link	-	4,000
Warmth	7,957	-
	<u>85,217</u>	<u>66,100</u>
<u>Educational:</u>		
ADPP Teacher Training College	-	6,514
African Equipment for Schools	-	8,000
African Village Support	-	13,000
Afrikids	23,992	16,500
Appropriate Technology	7,003	-
Arundel Cricket	-	500
Atari Primary School	10,000	-
Atiamah Trust	-	3,000
Birmingham Boys and Girls Union	5,000	-
Chiapas Children's Project	-	7,000
Deafway	3,163	-
EDSA After School Club	2,000	2,000
Enlighten Educational Trust	20,000	20,000
Haller Foundation	5,000	-
Hand in Hand	-	4,500
Peru Dental Project	5,700	-
Portland College	10,000	8,200
Scott Polar Research Institute	-	10,000
Softpower	20,000	-
The Green Light Trust	-	15,000
The Hilda Trust	9,625	-
Tibshelf School	7,000	-
Ugandaid	-	10,000
Ugandan Rural School Initiative	-	20,000
Unity of Children	5,000	-
Wellington Preparatory Education Trust	10,000	-
Youlgrave Bangatt Village Link	7,500	-
Zisize	25,000	-
	<u>175,983</u>	<u>144,214</u>

**The Jephcott Charitable Trust**

**Notes to the Accounts  
For the year ended 30th June 2007  
(continued)**

<b>4 Charitable Expenditure</b>	2007	2006
<b>Grants Payable (continued):</b>	£	£
<u>Environmental Relief:</u>		
Berkeley Reafforestation Trust	5,000	5,000
Devon Aid Korogwe	25,000	-
Goedgedacht Trust	-	12,500
Usuagara Green Foundation	-	2,552
	<u>30,000</u>	<u>20,052</u>
Total Donations	£ <u>291,200</u>	£ <u>230,366</u>
	<u>Number of</u>	<u>Number of</u>
	<u>Grants Paid</u>	<u>Grants Paid</u>
All of the above are institutional grants.	<u>30</u>	<u>29</u>

Where more than one grant has been made to the same institution they have been for separate charitable purposes.

**5 Management and Administration Expenses**

Administration Expenses	8,839	8,850
Audit	1,050	1,000
Accountancy	595	381
Professional Fees	827	704
Meeting and Trustee Expenses	1,278	1,043
Bank Charges	125	155
Computer equipment and domain name	-	235
	£ <u>12,714</u>	£ <u>12,368</u>

**6 Heritage Asset**

	Book
	"Aurora Australis"
	£
Balance brought forward at written down value	40,000
Balance carried forward at written down value	£ <u>40,000</u>

The book "Aurora Australis" is one of approximately 100 that were published at the winter quarters of the British Antarctic expedition in 1907, illustrated with lithographs and etchings by George Marston and edited by Ernest Shackleton. This book is one of 60 that are known to exist.

The Trustees consider that the book has a value in excess of deemed cost and therefore no depreciation is required. The book was donated to the Charity on condition it is not sold in the donor's lifetime. Although it has no particular relevance to the work that the Charity undertakes, it is reasonable to retain it within the Heritage Asset heading.

**7 Investments**

**Held to provide an investment return for the Charity:**

	Number	Cost	Market
		£	Value
		£	£
Glaxo SmithKline 25p Ord	19,000	54,637	247,950
M & G Unit Trust Charifund	234,384	2,848,090	3,846,994
M & G Charibond	1,019,183	1,286,209	1,196,521
Charities Property Fund	359,908	400,000	528,129
As at 30th June 2007		£ <u>4,588,936</u>	5,819,594
As at 30th June 2006		£ <u>4,553,777</u>	5,464,902

**Reconciliation of Investments:**

	£	£
Costs as at 1st July 2006		4,553,777
Additions		650,000
		<u>5,203,777</u>
Disposals		(614,841)
Costs as at 30th June 2007		<u>4,588,936</u>

**The Jephcott Charitable Trust**

**Notes to the Accounts**  
**For the year ended 30th June 2007**  
**(continued)**

**7 Investments (continued)**

**Unrealised Gains on Investments:**

Valuation of Investments at 1st July 2006	5,464,902
Additions in the year	<u>650,000</u>
	6,114,902
Disposals at carrying value	<u>(614,841)</u>
	5,500,061
Valuation of Investments at 30th June 2007	<u>5,819,594</u>
Unrealised (Gains) for the year	£ <u><u>(319,533)</u></u>

**Realised Losses on Investments:**

Sale proceeds	600,000
Less: Cost of sale	<u>614,841</u>
Realised Loss for the year	£ <u><u>(14,841)</u></u>

**Unrealised Gains/Realised (Losses) on Investments:**

Unrealised Gains	319,533
Realised Loss	<u>(14,841)</u>
Unrealised Gains/Realised Loss on Investments	£ <u><u>304,692</u></u>

All the investments are held within the United Kingdom.

	2007	2006
<b>8 Debtors:</b>	£	£
Gift Aid Tax Recoverable	324	171
Grant Recoverable	<u>9,400</u>	<u>-</u>
	£ <u><u>9,724</u></u>	£ <u><u>171</u></u>

**9 Creditors:**

	2007	2006
	£	£
Falling due within one year		
Audit and Accountancy Fee	1,645	1,381
Meeting Expenses	437	-
Secretarial Fees	<u>-</u>	<u>2,484</u>
	£ <u><u>2,082</u></u>	£ <u><u>3,865</u></u>

All assets and liabilities relate to unrestricted funds.

- 10** The Trustees receive no remuneration for the work they undertake on behalf of the Charity, however Trustees do receive expenses. Included in the Accounts are £78, relating to travel for two Trustees.