

**The Jephcott Charitable Trust**  
**Financial Statements**  
**For the Year Ended 30th June 2008**

**The Jephcott Charitable Trust**  
**Trustees' Report**  
**for the year ended 30th June 2008**

The Trustees present their Annual Report and Accounts for the year ended 30th June 2008.

**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 Mrs C Thomas Mrs D Ader (appointed 12th October 2007)
	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 PO Box 9038 Chelmsford CM99 2XF
Website:	<a href="http://www.jephcottcharitabletrust.org.uk">www.jephcottcharitabletrust.org.uk</a>

**The Jephcott Charitable Trust**  
**Trustees' Report**  
**For the year ended 30th June 2008**  
**(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 2008**  
**(continued)**

**Achievements and Performance**

Each year the Trustees strive to distribute funds to as many applicants as possible. All applications are considered in detail and, provided they are acceptable, the Trustees make grants. 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 £287,526 (2007 - £274,608) of income from its investment portfolio. From this income it distributed £200,379 (2007 - £291,200) to other charitable institutions and incurred £14,531 (2007 - £12,714) of support costs.

Undistributed funds have been retained. Support costs for the year are 5.1% of the investment income (2007 - 4.6%).

The total market value of the investments at the 30th June 2008 was £4,627,114 (2007 - £5,819,594). Full disclosure of the investments is in Note 7. The capital value, as adjusted for additions and disposals, decreased by 20.5% (2007 - increase of 5.8%). The investment income was approximately 6.2% (2007 - 5.5%) of capital value. The Trustees are concerned by the fall in the capital value of the investments in the year ended 30th June 2008, and have discussed this with the Fund Managers. They believe that the Trust is best served by retaining the investments held currently.

**Financial Review**

As shown on the Statement of Financial Activities (SOFA) on Page 7, income exceeded expenditure by £74,639 (2007 - expenditure exceeded income £27,720). However, total funds including unrealised gains/realised losses on investments decreased by £1,192,480 (2006 - increased by £304,692). The net Balance Sheet at 30th June 2008 is £4,806,894 (2007 - £5,924,735).

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 2008 was £5,793,750, 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 2008**  
**(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 2008, 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 and 44 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.

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,

In addition we report to you if, in our opinion, 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 read the Trustees' 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Charity's affairs as at 30th June 2008 and of its incoming resources and application of resources for the year then ended, and
- the financial statements 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 2008**

	Notes	£	2008 £	£	2007 £
<b>Fixed Assets:</b>					
Heritage Asset	6		40,000		40,000
Plant and Machinery	7		1,292		-
Investments	8		<u>4,627,114</u>		<u>5,819,594</u>
			4,668,406		5,859,594
<b>Current Assets:</b>					
Debtors	9	747		9,724	
Cash at Bank and in Hand		<u>142,289</u>		<u>57,499</u>	
		143,036		67,223	
<b>Current Liabilities:</b>					
Amounts falling due within one year.					
Creditors	10	<u>4,548</u>		<u>2,082</u>	
Net Current Assets			<u>138,488</u>		<u>65,141</u>
<b>Total Assets less Current Liabilities</b>			<u>£ 4,806,894</u>		<u>£ 5,924,735</u>
<b>Represented By:</b>					
Unrestricted Fund			<u>4,806,894</u>		<u>5,924,735</u>
			<u>£ 4,806,894</u>		<u>£ 5,924,735</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 2008**

	Notes	Total Unrestricted Funds 2008 £	Total Unrestricted Funds 2007 £
<b>Incoming Resources</b>			
Voluntary Income	2	2,023	1,586
Investment Income	3	<u>287,526</u>	<u>274,608</u>
Total Incoming Resources		<u>289,549</u>	<u>276,194</u>
<b>Resources Expended:</b>			
Charitable Activities			
Grants payable	4	200,379	291,200
Support costs	5	<u>14,531</u>	<u>12,714</u>
<b>Total Resources Expended</b>		<u>214,910</u>	<u>303,914</u>
Net Incoming Resources/(Resources Expended) for the Year before other recognised gains and losses		74,639	(27,720)
Net (Losses) and Gains on revaluation and disposal of Investment Assets	7	<u>(1,192,480)</u>	<u>304,692</u>
Net Movements in Funds for the Year		(1,117,841)	276,972
Fund balance brought forward		<u>5,924,735</u>	<u>5,647,763</u>
Fund balance carried forward		<u>£ 4,806,894</u>	<u>£ 5,924,735</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 2008**

(continued)

<b>4</b>	<b>Charitable Expenditure</b>	2008	2007
	<b>Grants Payable:</b>	£	£
	<u>Health:</u>		
	Action Water	5,125	-
	All Ears Cambodia (2 grants)	-	5,800
	Bazaruto Project	-	(9,400)
	Beira Mozambique	-	16,600
	Birmingham Boys and Girls Union	-	5,000
	Chernobyl Children in Need	-	3,560
	Dee's Abled Children (2 grants)	12,500	-
	Depaul Foundation	15,000	-
	Haller Foundation	12,500	-
	Happy Child	3,500	15,000
	Hidden Voices	5,000	-
	House of Hope	-	20,000
	Karuna	-	10,000
	Lowe Syndrome Trust	1,500	-
	Peru Dental Project	-	5,700
	St Helena's Hospice	(2,927)	5,000
	Warmth	-	7,957
		52,198	85,217
	<u>Educational:</u>		
	ADESA	10,160	-
	African Child Education Programme	15,000	-
	African Village Support	4,000	-
	Afrikids	-	23,992
	Appropriate Technology	-	7,003
	Atari Primary School	-	10,000
	Birmingham Boys and Girls Union	-	5,000
	Build It	10,000	-
	Children in Divorce and Separation	6,200	-
	China Candlelight Education Fund	10,000	-
	Deafway	-	3,163
	EDSA After School Club	2,000	2,000
	Enlighten Educational Trust	-	20,000
	Farms for City Children	10,000	-
	Haller Foundation	-	5,000
	Linden	15,000	-
	Peru Dental Project	-	5,700
	Portland College	-	10,000
	Riding for the Disabled of Cornwall	25,000	-
	Softpower	-	20,000
	The Hilda Trust	-	9,625
	Tibshelf School	-	7,000
	Tools with a Mission	9,000	-
	Ugandan Rural School Initiative	10,614	-
	Unity of Children	-	5,000
	Wellington Preparatory Education Trust	-	10,000
	Youlgrave Bangatt Village Link	-	7,500
	Youth Education Service	6,607	-
	Zisize	-	25,000
		133,581	175,983
	<u>Enviromental Relief:</u>		
	Berkeley Reafforestation Trust	6,600	5,000
	Devon Aid Korogwe	-	25,000
	Green Light Trust	8,000	-
		14,600	30,000
	Total Donations	£ 200,379	£ 291,200
		<u>Number of Grants Paid</u>	<u>Number of Grants Paid</u>
	All of the above are institutional grants.	23	30

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

**The Jephcott Charitable Trust**

**Notes to the Accounts**  
**For the year ended 30th June 2008**  
**(continued)**

	2008	2007
<b>5 Management and Administration Expenses</b>	£	£
Administration Expenses	10,300	8,839
Audit	1,050	1,050
Accountancy	430	595
Professional Fees	394	827
Meeting and Trustee Expenses	1,555	1,278
Bank Charges	25	125
Website annual fee	130	-
Depreciation on website	647	-
	£ 14,531	£ 12,714

<b>6 Heritage Asset</b>	Book	
	"Aurora Australis"	
	£	
Balance brought forward at written down value	40,000	
Balance carried forward at written down value	£ 40,000	

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.

<b>7 Plant and Machinery</b>	Website	
	£	
Addition in the year	1,939	
Depreciation in the year	646	
Written Down Value at 30th June 2008	£ 1,292	
Written Down Value at 30th June 2007	£ -	

<b>8 Investments</b>		
<b>Held to provide an investment return for the Charity:</b>		
	Number	Market Value
		£
Glaxo SmithKline 25p Ord	19,000	54,637
M & G Unit Trust Charifund	234,384	2,848,090
M & G Charibond	1,019,183	1,286,209
Charities Property Fund	359,908	400,000
		422,100
As at 30th June 2008	£ 4,588,936	4,627,114
As at 30th June 2007	£ 4,588,936	5,819,594

<b>Reconciliation of Investments:</b>	£	£
Cost as at 1st July 2007		4,588,936
Additions		-
		4,588,936
Disposals		-
Costs as at 30th June 2008		4,588,936

<b>Unrealised Gains on Investments:</b>		
Valuation of Investments at 1st July 2007		5,819,594
Valuation of Investments at 30th June 2008		4,627,114
Unrealised Loss for the year	£	1,192,480

All the investments are held within the United Kingdom.

**The Jephcott Charitable Trust**

**Notes to the Accounts**  
**For the year ended 30th June 2008**  
**(continued)**

	2008	2007
<b>9 Debtors:</b>	£	£
Gift Aid Tax Recoverable	747	324
Grant Recoverable	<u>-</u>	<u>9,400</u>
	<u>£ 747</u>	<u>£ 9,724</u>
<b>10 Creditors:</b>		
Falling due within one year	2008	2007
	£	£
Audit and Accountancy Fee	1,480	1,645
Meeting Expenses	-	437
Secretarial Fees	<u>3,068</u>	<u>-</u>
	<u>£ 4,548</u>	<u>£ 2,082</u>

All assets and liabilities relate to unrestricted funds.

- 11 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.