

Charity Registration No. 1075405
Company Registration No. 3688493 (England and Wales)



UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2001



GERALD EDELMAN
CHARTERED ACCOUNTANTS

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UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

INFORMATION

Trustees' and Directors	Professor D W Crawford A Zwerdling J L Heilbron S Schwarz
Executive director	Dr N J Mateer
Charity number	1075405
Company number	3688493
Principal address	8 St James's Place London SW1A 1NP
Registered office	8 St James's Place London SW1A 1NP
Auditors	Gerald Edelman 25 Harley Street London W1G 9BR
Bankers	Barclays Bank Plc 31 St James's Street London SW1A 4HE
Solicitors	Kingsley Napley 14 St John's Lane London EC1M 4AJ

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

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UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 30 JUNE 2001

The Trustees' present their report and accounts for the year ended 30 June 2001.

Objects of the charity

The trust is a company limited by guarantee.

The University of California Trust (UK) was incorporated in December 1998 for the purpose of furthering the mission of the University of California in the United Kingdom by (1) advancing the education of and providing assistance to University of California students in the United Kingdom, and students in the United Kingdom with which University of California has cooperative agreements (2) maintaining and developing relations between institutions of higher education in the United Kingdom, (3) planning and implementing joint academic programs between University of California and institutions of higher education in the United Kingdom, and (4) enhancing relations with University of California alumni and friends in the United Kingdom.

In order to further these goals, the Office of Executive Director of the Trust was established in October 2000. The University of California has gifted the services of one of its employees to the Trust during the year and the cash equivalent of this benefit has been included within the employee costs. In addition to consolidating the management and administration of the Trust, a number of activities have been undertaken: receptions for and briefings by visiting University of California senior officials, developing relations with a large number of United Kingdom educational and research organisations, providing resources for University of California researchers to plan joint research activities, identifying "lost" University of California alumni through advertisements and hosting a major award reception for alumni and special guests recognising special contributions by members of the University of California community in the United Kingdom.

Organisational structure

The Trust is a registered charity under the laws of England and Wales, which is overseen by the United Kingdom Charities Commission. A Management Board is responsible for the activities of the Trust. The board ensures that the mission of the Trust is implemented and that the financial and management matters adhere to English and Welsh law.

The executive director serves as the secretary to the management board.

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

Review of activities

In accordance with the Trust's goals to develop academic relations in the United Kingdom the Trust has during the initial phase of the its operation (i) identified those institutions that would be appropriate targets for University of California Trust and (ii) established contact with many governmental and non-profit organizations in the United Kingdom in order to better understand the total academic environment, funding, policies, regulations, politics and people.

The initial set of target institutions were Glasgow, Durham, Oxford, Imperial and University College London. While contacts with all these institutions and several others have been made the most substantive progress has been with Imperial and Oxford. The philosophy behind attempting partnerships with these institutions is to encourage and facilitate research opportunities for students. United Kingdom universities contain world class resources.

Other institutions that have been contacted are: Royal Society, Royal Institution, Council for Industry and Higher Education, Department of Trade and Industry, H M Treasury, Scottish Enterprise, City & Guilds, Council for Advancement & Support of Education, Foreign and Commonwealth Office, British American Business Inc., London First, United States Embassy, Wellcome Trust, The European Office of Aerospace Research and Development, Courtauld Institutions for Art and the Goodenough Trust.

In April 2001, Dean Robert Conn from the University of California San Diego, School of Engineering gave a morning long briefing on the high tech development of San Diego, including a detailed account of the recent California Institute for Telecommunications. This briefing was attended by 30 influential people from United Kingdom research and development community and most notably Lord Sainsbury, Minister for Science and Technology. This event held at the Institute of Directors was highly regarded.

The database for alumni have been expanded and improved considerably during the period. The Trust seeks to locate as many email addresses as possible as the preferred mechanism for communication. It is clear that such people are able to assist the Trust in its mission. Advertisements were placed in the United Kingdom national press announcing the presence of the Trust and that it would welcome hearing from alumni. This generated an additional 50 names. An email to the entire University College London community yielded a further 50 alumni, as well as former faculty, post-docs etc.

United Kingdom students who enroll at the University of California pursuant to student exchange agreements between University of California and United Kingdom universities are valuable and enthusiastic supporters of University of California in the United Kingdom. Some contact with this group has been established and it will be important to track down more such "alumni" and to retain contact with future participants of this program upon their return to the United Kingdom.

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

Plans for next academic year

Academic Alliances

A major goal of the Trust is to develop relations with top-ranked academic institutions in the United Kingdom with a view to providing excellent educational opportunities for the University of California students and for providing research opportunities for University of California faculty. A select few institutions have been identified based on broad academic excellence, excitement at working with University of California, current University relations and some degree of geographical spread. These alliances should result in research collaboration, graduate student exchanges, joint conferences and other opportunities. The selected institutions are Oxford University, Imperial College, Glasgow University, University of Durham, University College London and King's College London.

Travel Grant Program

The purpose of this program is to encourage University of California faculty to visit United Kingdom universities to develop potential joint research programmes. Fourteen submissions were awarded.

Conference- Industry Academic relations

Hosting joint conference with leaders of United Kingdom government, industry and universities.

Conference- Global Health Policy

University of California, Professor Richard Feachem (Director, Institute of Global Health) has, at the invitation of the Trust agreed to organise a conference at the Wilton Park Conference Centre, West Sussex.

Conference Academic

It is intended that a portion of the Conference funds be allocated in support of an academic conference held in the United Kingdom in which University of California faculty are equal partners with United Kingdom Universities, ideally resulting from the Research Travel Grant awards.

Trustees'

The Trustees', who are also the directors for the purpose of company law, who served during the year are:

N J Mateer	(Appointed 29 November 2000 and resigned 1 February 2002)
D W Crawford	
A Zwerdling	
J L Heilbron	
S Schwarz	

None of the Trustees' has any beneficial interest in the company.

Review of financial position

The net incoming resources for the year amounted to £36,527 (2000 - outgoing resources £463).

The results for the prior year are not strictly comparable as they represent only a six month period. However as the activities of the Trust have grown including the employment of an executive director this has resulted in expenditure increasing to £226,933 in the year to June 2001. The amount received in grants from the USA has similarly increased to cover this expenditure.

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

Tax status

The company has a charitable status and is exempt from corporation tax on its income arising from its activities.

Risk management

The Board of Trustees is responsible for the management of the risks faced by the Trust. Detailed consideration of such risks have been made with appropriate controls established to mitigate the risks identified. A review and assessment of these controls is undertaken on an annual basis.

Through risk management processes for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of Trustees'



S Schwarz

Trustee

Dated: 24 April 2002

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees' to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the Trustees' are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees' are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

AUDITORS' REPORT TO THE MEMBERS OF UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

We have audited the accounts on pages 7 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of Trustees' and auditors

As described on page 5 the Trustees', who are the directors of University of California Trust (UK) Limited for the purpose of company law, are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

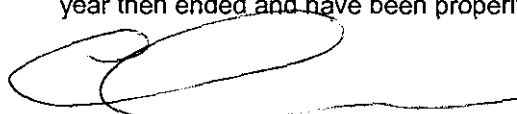
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees' in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company'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 as to whether the accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 30 June 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Gerald Edelman

Chartered Accountants
Registered Auditor
25 Harley Street
London
W1G 9BR

Dated: 24 April 2002

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2001

	Notes	2001 £	2000 £
Incoming resources			
Grants and donations	2	204,341	38,255
Interest receivable		436	139
Other income	3	58,683	29,274
		<hr/>	<hr/>
Total incoming resources		263,460	67,668
		<hr/>	<hr/>
Resources expended			
Expenditure on trust activities		206,230	61,451
Other expenditure:			
Fundraising and publicity		11,924	1,458
Management and administration		8,779	5,222
		<hr/>	<hr/>
Total resources expended	4	226,933	68,131
		<hr/>	<hr/>
Net incoming/(outgoing) resources		36,527	(463)
Restricted fund balances at 1 July 2000		24,899	25,362
		<hr/>	<hr/>
Restricted fund balances at 30 June 2001		61,426	24,899
		<hr/> <hr/>	<hr/> <hr/>

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

BALANCE SHEET AS AT 30 JUNE 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	7		56,195		50,666
Current assets					
Debtors	8	25,130		666	
Cash at bank and in hand		7,974		19,479	
		<u>33,104</u>		<u>20,145</u>	
Creditors: amounts falling due within one year	9	<u>(27,873)</u>		<u>(45,912)</u>	
Net current assets/(liabilities)			<u>5,231</u>		<u>(25,767)</u>
Total assets less current liabilities			<u>61,426</u>		<u>24,899</u>
Retained funds					
Restricted funds			<u>61,426</u>		<u>24,899</u>

The accounts were approved by the Board of Trustees on 24 April 2002 and were signed on their behalf by:



S Schwarz
Trustee

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The Trust accounts have been prepared on a going concern basis assuming continued support from University of California.

The trust has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small trust.

The accounts have been prepared in accordance with the Statement of Recommended Practice - Accounting by Charities issued in 1995.

1.2 Incoming resources

Grants, donations and other form of income are recognised as incoming resources when received.

1.3 Resources expended

Resources expended are accounted for an accruals basis. The recoverable element of vat is not included in the expenses to which it relates.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	over the period of the lease
Computer equipment	33.33% straight line
Fixtures, fittings & equipment	25% reducing balance

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.6 Restricted funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

2 Grants and donations

	2001 £	2000 £
Grants received from University of California	203,119	38,000
Donations received	1,222	255
	<u>204,341</u>	<u>38,255</u>

3 Other income

	£	£
Reimbursed income	<u>58,683</u>	<u>29,274</u>

Other income represents contributions received from California Technology, Trade and Commerce Agency, University of California Education Abroad Program and The University Presses of California, Columbia and Princeton Limited.

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

4 Total resources expended

	Total 2001 £	Total 2000 £
Direct Charitable Expenditure:		
Expenditure on trust activities		
Staff costs	65,868	-
Rent	66,669	43,500
Rates	4,633	1,439
Insurance	2,152	881
Light and heat	2,066	1,224
Repairs and maintenance	6,518	3,989
Cleaning	5,714	2,745
Printing, postage and stationery	6,213	271
Telephone	4,076	687
Entertaining	3,068	-
Travelling	2,054	-
Reception and conferences	13,475	-
Management fees	4,518	2,400
Computer running costs	2,609	-
Sundry expenses	3,798	290
Depreciation of tangible fixed assets	12,799	4,025
	206,230	61,451
Fundraising and publicity costs		
Advertising	11,924	1,458
Management and administration		
Legal and professional	2,827	1,700
Audit fees	3,500	1,500
Non audit fees	2,190	2,020
Bank charges	234	2
Profit/loss on foreign currency	28	-
	8,779	5,222
Total resources expended	226,933	68,131

The University of California has gifted the services of one of its employees to the Trust during the year and the cash equivalent of this benefit has been included within the employee costs.

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

5 Trustees'

None of the other Trustees' received any remuneration during the year, but Dr. N.J. Mateer was reimbursed a total of £ 2054 travelling expenses (2000 - £0).

Dr N.J. Mateer was paid remuneration during the year in respect of his role as executive director.

6 Employees

Number of employees

The average monthly number of employees, including executive director, during the year was:

	2001 Number	2000 Number
Administration	<u>2</u>	<u>1</u>

The number of employees whose annual emoluments were £40,000 or more were:

	2001 Number	2000 Number
£50,000 - £60,000	<u>1</u>	<u>-</u>

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

7 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 July 2000	33,730	-	30,945	64,675
Additions	-	10,704	7,623	18,327
At 30 June 2001	33,730	10,704	38,568	83,002
Depreciation				
At 1 July 2000	3,372	-	10,637	14,009
Charge for the year	2,248	3,567	6,983	12,798
At 30 June 2001	5,620	3,567	17,620	26,807
Net book value				
At 30 June 2001	28,110	7,137	20,948	56,195
At 30 June 2000	30,358	-	20,308	50,666

The cost included for land and buildings is represented by an interest in short leasehold property at 8 St. James's Place London SW1. A proportion of the space available is sub-let to the California Technology, Trade and Commerce Agency, University of California Education Abroad Program and The University Presses of California, Columbia and Princeton Limited, which also makes a contribution to the cost of other overheads. The remainder of the space is used by the trust for its own purposes.

8 Debtors	2001	2000
	£	£
Other debtors	2,812	-
Prepayments and accrued income	22,318	666
	25,130	666

9 Creditors: amounts falling due within one year	2001	2000
	£	£
Trade creditors	658	-
Taxes and social security costs	-	1,547
Other creditors	17,980	17,980
Accruals and deferred income	9,235	26,385
	27,873	45,912

UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

10 Share capital

The company has no share capital being limited by guarantee. The guarantors will contribute a maximum of £1 each in the event of liquidation.

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Grants are received from the University of California (USA) in order to fund the activities of the United Kingdom organisation. These grants are made to cover specific costs incurred and therefore are deemed to be restricted funds.

12 Related parties

Included in creditors is the sum of £17980 (2000 - £17980) due to University of California Education Abroad Program. There are no terms as to interest or repayment in respect of this balance.

13 Comparative figures

The comparative figures are in respect of six months ended 30 June 2000.