

Company Number: 3688493  
Registered Charity Number: 1075405

**UNIVERSITY OF CALIFORNIA TRUST (UK) LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS**

**30th JUNE 2004**



**University of California Trust (UK) Limited**  
(Limited by Guarantee)

**Trustees and Directors**

Professor D.W. Crawford  
Professor S. Schwarz  
Professor J. L. Heilbron  
Dr. M.K. Duggan  
Mr. A. Buch  
Mr. B.B. Barber  
Professor R. Sawyer

**Company Secretary and Registered Office**

Professor G.N. Binion  
8 St. James's Place, London SW1A 1NP

**Bankers**

Barclays Bank Plc  
31 St. James's Street, London SW1 4HE

**Solicitors**

Kingsley Napley  
14 St. John's Lane, London EC1M 4AJ

**Auditors**

Moore Stephens  
St. Paul's House, Warwick Lane, London, EC4P 4BN

**University of California Trust (UK) Limited**  
(Limited by Guarantee)

**Report of the Trustees and Directors**

The Trustees present their report and accounts for the year ended 30 June 2004.

**Objects of the charity**

The Trust is a company limited by guarantee.

The *University of California Trust (UK) Limited* 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 co-operative agreements, (2) maintaining and developing relations between institutions of higher education in the United Kingdom and the University of California, (3) planning and implementing joint academic programmes 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, a number of activities have been undertaken: arranging receptions for and briefings by visiting University of California professors and officials, developing relations with United Kingdom educational and research organisations, providing resources for University of California researchers to plan joint research activities, identifying "lost" University of California alumni and hosting receptions for alumni and special guests who are part 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.

**Review of activities**

**Educational:**

In accordance with the Trust's objects, it has continued to develop relations with UK educational institutions in order to explore potential co-operative instructional and research activities. The Trust has continued to develop relations with the Royal Society, the Royal Institution, the Department of Trade and Industry, the Foreign and Commonwealth Office, the United States Embassy, the Courtauld Institute of Art, and the London Goodenough Trust. The Allen Buch Scholarship was inaugurated in support of University of California undergraduates attending UK universities under the UC Education Abroad Program. The Trust supported the UC Study Centre-California House in a project to develop internships for UC students who are in the UK for year-long studies at universities. The mailing list of the California Technology, Trade and Commerce Association was successfully used to inform companies and associations of the internship program and invite their participation.

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**Report of the Trustees and Directors (Continued)**

**Alumni Development:**

The database for alumni (a significant number of whom are United Kingdom citizens) continues to be updated.

**Events of the year 2003-2004**

On 13th November 2003, the UC Alumni Associations and the Trust hosted a reception in London at the English Speaking Union (Dartmouth House) at which its award for distinguished achievement was presented to Arun Sarin.

A Trust City Group was formed and had an inaugural meeting on 21st January 2004, at the offices of Berwin Leighton Paisner to discuss how the group might work with alumni in banking and finance in the City. One outcome was a resolution to convene mentorship breakfasts (see below).

The UC Trust (UK) hosted two career development breakfasts in the Conference Room at California House in March and May on law and investment banking. Programme Coordinator Daines with the help of UC alumni in London plans to continue next year the breakfasts for alumni and UC EAP students in London.

The UC Trust (UK) and Berkeleyans in Britain inaugurated a monthly pub night in February 2004, which has been successful in bringing together alumni of all ages and from multiple UC campuses. Draines plan to continue the monthly pub night as a regular event of the Trust.

Two editions of the newsletter *California House - London* were issued in Fall 2003 and Spring 2004 and mailed to approximately 5,000 alumni.

The Trust facilitated planning and marketing of the UCB I-House 75th Anniversary reception and luncheon at The Savoy Hotel on 19th June 2004.

The Trust organised and secured sponsorship from the office of Berwin Leighton Paisner for a talk on 19th June 2004 by David Russ, Treasurer, Office of the President, UC, on the topic "Private Equity for a Public University".

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**Report of the Trustees and Directors (Continued)**

**Management:**

Professors D.W. Crawford and J.L. Heilbron rotated off the Management Board on 13th October 2003 and being eligible were re-elected. Professor R. Sawyer was newly appointed to the Board on this date.

**Plans for the next academic year:**

In addition to receiving funds for student exchange between the United Kingdom and California, hosting receptions for visiting Californian dignitaries, and maintaining communications with the sponsoring events for University of California alumni, the Trust will explore ways to assist the Centre for Students in Higher Education, the University of California Press, and the University of California's British Studies Program in its educational activities in the UK. Informal alumni development events such as pub nights, barbecues and other events will continue. The Trust will undertake a fundraising campaign to support Education Abroad Programme students.

**Trustees:**

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

B B Barber  
A Buch  
D W Crawford  
M K Duggan  
J L Heilbron  
S Schwarz  
R Sawyer

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

**Review of financial position**

The net resources retained for the year amounted to £9,443 (2003 - £48,660) leaving retained funds at 30th June 2004 of £112,525.

Management and administration expenditure was increased in the year to £181,534 (2003: £171,701). Fund raising expenditure of £4,748 was also incurred (2003: none).

**Tax status**

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

**University of California Trust (UK) Limited**  
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**Report of the Trustees and Directors (Continued)**

**Risk management**

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

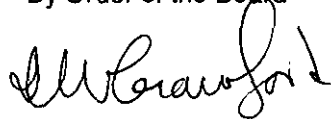
Through risk management processes for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable not absolute assurance that major risks have been adequately managed.

**Auditors**

The auditors, Moore Stephens, are willing to continue in office. A resolution for their re-appointment and authorising the directors to fix their remuneration will be submitted to the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



D.W. CRAWFORD

Trustee  
Dated: 5/10/2004

**University of California Trust (UK) Limited**  
(Limited by Guarantee)

**Statement of Directors' Responsibilities**  
**For the year ended 30th June 2004**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements 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.

**Independent Auditors' Report to the Members of  
University of California Trust (UK) Limited (Limited by Guarantee)**

We have audited the financial statements of University of California Trust (UK) Limited (Limited by Guarantee) for the year ended 30th June 2004 set out on pages 8 to 13. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the company's members as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the charitable company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing 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 Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed. We read the Directors' 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 United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 that the financial statements 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 financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 2004 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.

St. Paul's House,  
London, EC4P 4BN

12 October 2004

  
MOORE STEPHENS

Registered Auditor  
Chartered Accountants



**University of California Trust (UK) Limited**  
(Limited by Guarantee)

**Statement of Financial Activities**  
For the year ended 30th June 2004

	<u>Note</u>	2004 <u>Total</u>	2003 <u>Total</u>
<b>Incoming Resources</b>			
Grants received	1(b)	83,285	125,695
Gifts and donations		2,947	(186)
Reimbursed expenses		28,775	25,070
Rents received		79,819	68,791
Contributions towards events/activities		895	877
Interest receivable and similar income		4	114
<b>Total Incoming Resources</b>		£ 195,725	£ 220,361
<b>Resources Expended</b>			
<b>Other Expenditure</b>			
Management and administration		(186,282)	(171,701)
<b>Total Resources Expended</b>		£ (186,282)	£ (171,701)
<b>Net Resources Retained</b>		9,443	48,660
Funds at 1st July 2003		103,082	54,422
<b>Funds at 30th June 2004</b>	8	£ 112,525	£ 103,082

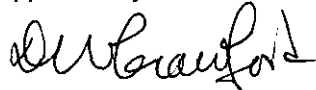
**University of California Trust (UK) Limited**  
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**Balance Sheet - 30th June 2004**

	<u>Note</u>	<u>2004</u>	<u>2003</u>
<b>Fixed Assets</b>			
Tangible assets	5	32,112	36,063
<b>Current Assets</b>			
Debtors	6	37,682	54,818
Cash at bank and in hand		151,717	39,116
		<u>189,399</u>	<u>93,934</u>
<b>Creditors, amounts falling due within one year</b>	7	<u>(108,986)</u>	<u>(26,915)</u>
<b>Net Current Assets</b>		<u>80,413</u>	<u>67,019</u>
<b>Total Assets Less Current Liabilities</b>		<u>£ 112,525</u>	<u>£ 103,082</u>
 <b>Represented by:</b>			
Unrestricted funds	8	112,525	103,082
		<u>£ 112,525</u>	<u>£ 103,082</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

Approved by the board of directors on 5 October 2004



D.W. CRAWFORD - Director

**University of California Trust (UK) Limited**  
(Limited by Guarantee)

**Financial Statements for the year ended 30th June 2004**

**Notes**

**1. Principle Accounting Policies**

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and follow both the Companies Act 1985 and the recommendations in the Statement of Recommended Practice: Accounting and Reporting by Charities issued in 2000.

(b) Revenue grants

Revenue grants receivable are credited to the Statement of Financial Activities when received, unless they are related to a specific future period, in which case they are deferred.

(c) Staff costs - gifted salaries

Gifts in kind, representing services gifted by the University of California, have been accounted for on an actual basis.

(d) Staff costs

Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

(e) Categories of expenditure

Costs are allocated between the different categories of expenditure based on the nature of the expense, e.g. overheads, administration or professional and financial.

(f) Depreciation of tangible fixed assets

Tangible fixed assets are stated at cost less accumulated 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, fitting and equipment	-	25% reducing balance basis

(g) Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

(h) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

**University of California Trust (UK) Limited**  
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**Financial Statements for the year ended 30th June 2004**

**Notes (Continued)**

**2. Staff Costs and Numbers**

	<u>2004</u>	<u>2003</u>
Staff costs during the year were as follows:		
Wages and salaries	17,684	12,146
Social security costs	1,669	904
Pension contribution	600	-
	£ 19,953	£ 13,050

Number of employees

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

	<u>2004</u>	<u>2003</u>
Administration	1	1

**3. Net Incoming Resources**

Net incoming resources is stated after charging:

	<u>2004</u>	<u>2003</u>
	£	£
Auditors' remuneration	4,700	4,200
Depreciation (note 5)	5,975	10,410
Operating lease rentals	88,557	87,000
	88,557	87,000

**4. Taxation**

No corporation tax is payable as the company is a registered charity.

**University of California Trust (UK) Limited**  
(Limited by Guarantee)

**Financial Statements for the year ended 30th June 2004**

**Notes (Continued)**

**5. Fixed Assets - Tangible Assets**

	<u>Leasehold Property</u>	<u>Computer Equipment</u>	<u>Fixtures, Fittings &amp; Equipment</u>	<u>Total</u>
<b>Cost</b>				
At 1st July 2003	33,730	12,701	38,568	84,999
Additions	-	2,024	-	2,024
At 30th June 2004	£ 33,730	14,725	38,568	87,023
<b>Depreciation</b>				
At 1st July 2003	10,118	12,033	26,785	48,936
Charge for the year	2,249	780	2,946	5,975
At 30th June 2004	£ 12,367	12,813	29,731	54,911
<b>Net book value</b>				
At 30th June 2004	£ 21,363	£ 1,912	£ 8,837	£ 32,112
At 30th June 2003	£ 23,612	£ 668	£ 11,783	£ 36,063

The cost incurred 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 is sub-let to The California Technology, Trade and Commerce Agency, The University of California Education Abroad Program and The University of California Study Centre, London-Bloomsbury, who also make a contribution to the cost of other overheads. The remainder of the space is used by the trust for its own purposes.

**6. Debtors**

	<u>2004</u>	<u>2003</u>
Trade debtors	9,998	26,544
Other debtors	626	-
Prepayments and accrued income	27,058	28,274
	£ 37,682	£ 54,818

**7. Creditors: amounts falling due within one year**

	<u>2004</u>	<u>2003</u>
Trade creditors	6,146	2,774
Other taxation and social security	6,244	3,301
Accruals and deferred income	96,596	20,840
	£ 108,986	£ 26,915

**University of California Trust (UK) Limited**  
(Limited by Guarantee)

**Financial Statements for the year ended 30th June 2004**

**Notes (Continued)**

**8. Movement on Funds**

	<u>Net Resources</u>
Balance at 1st July 2003	103,082
Net resources for the year	9,443
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Balance at 30th June 2004	£ 112,525
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**9. Operating Lease Commitments**

At 30th June 2004 the company had an annual commitment under a non-cancellable operating lease for land and buildings as follows:

	<u>2004</u>	<u>2003</u>
Due within 5 years	£ 90,000	£ 87,000
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**10. Limited by Guarantee**

The company is limited by guarantee and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 30th June 2004 there were seven members.

**11. Related Parties**

The University of California Education Abroad Program ('UCEAP') utilises space in the Trust offices to advance the objects of the Trust. Related charges of £23,478 (2003: £23,429) and building services charges of £9,516 (2003: £8,998) were charged to UCEAP in the year. At 30th June 2004, £45,674 (2003: £7,464) was due from UCEAP to the Trust.

M K Duggan is a director of the Trust and of UCEAP. She did not receive any remuneration as director of the Trust in the year.

No Expenses were reimbursed nor any remuneration paid to Trustees in the current or prior year.