

JA Clark Charitable Trust

Trustees' Report and Financial Statements

31 December 2018

Charity Number: 1010520

Reference and administrative information

Charity Name:	JA Clark Charitable Trust
Registration Number:	1010520
Governing Document:	Deed of Trust dated 19 March 1992
Registered Address:	PO Box 1704 Glastonbury Somerset BA16 0YB
Trustees	The trustees who served during the year were: Odette Clark Campbell (Chair) Tom Clark Aidan Pelly William Pym
Principal Staff	Daniela Lloyd-Williams (Trust Manager)
Accountants:	KPMG LLP 66 Queen Square Bristol, BS1 4BE
Bankers:	NatWest Bank plc 72 High Street Street Somerset, BA16 0EJ Cater Allen Private Bank 9 Nelson Street Bradford, BD1 5AN
Auditors:	Haines Watts Bristol Limited Chartered Accountants & Statutory Auditors Bath House Bath Street Bristol, BS1 6HL
Fund Managers:	Rathbone Investment Management 8 Finsbury Circus London, EC2M 7AZ

Trustees' Report

The trustees present their report and the audited financial statements of the J.A. Clark Charitable Trust for the year ended 31 December 2018.

The financial statements comply with the charity's trust deed, the Charities Act 2011, and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016).

Structure, governance and management

The JA Clark Charitable Trust is constituted under a trust deed dated 19 March 1992 and is a registered charity, number 1010520.

Trustees

The trustees who served during the year and up to the date of this report were as follows:

Odette Clark Campbell (Chair)
Tom Clark
Aidan Pelly
William Pym

All four current trustees are descendants of J. Anthony Clark, the founder of the Trust. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 11 to the accounts.

The deed provides for new trustees to be appointed by the existing trustees. On appointment trustees are given an induction pack and have briefing meetings with both the Chair and the Trust Manager to familiarise themselves with the charity, its governance and the context it operates in. No new Trustees were appointed in 2018.

Trustees are responsible for all decisions on the Trust's policies and grants. Grant making has been delegated to an Executive Group, a group of volunteer advisers drawn from the descendants of J. Anthony Clark. In 2018 the Executive consisted of five people, three of whom were also trustees of the Trust.

In 2018 the Trust held four trustee meetings, including the 2017 AGM and 2018 AGM. All descendants of the founder are invited to attend the AGM. The Executive Group met twice to discuss and approve grant applications.

The Trust has a long-term relationship with the Eucalyptus Foundation, to which it provides an annual grant, and with which it co-operates in pursuit of its charitable objectives.

Management

The Trustees are supported in the day-to-day management of the Trust by the Trust Manager Daniela Lloyd-Williams.

Two advisory committees support the Trust Manager and the Executive in their work: the Women's Empowerment Committee and the Youth Committee. These committees review grant applications and monitoring reports and, together with the Trust Manager, make recommendations for funding to the Executive. Committee members are drawn from the descendants of the founder.

The Trust's remuneration policy is to ensure a proper balance between providing remuneration that will attract and retain able and suitably qualified and experienced staff and careful management of the charity's funds. As far as is practicable, salaries are set to the market average for grant-making charities of a similar size. All salaries are reviewed annually and pay increases are linked to performance. The Chair of the Executive Group recommends any changes in pay and benefits to the Board for approval. The salary was benchmarked against grant-making charities of similar size in 2018.

Trustees' Report (cont.)

Principle Risks and Uncertainties

The Trustees have examined the major risks to which the Trust is exposed. Risks are assessed on the basis of their likelihood and potential impact. The Trustees are satisfied that it has policies, procedures and systems in place to manage the risks the charity faces.

In 2018 the Trustees consider the following to be the key risks faced by the JA Clark Trust:

- *Sharp reduction in dividend income:* The Trust has a large investment in C&J Clark Limited company shares, so a reduction in the dividend would lead to a loss of income for the Trust. If this risk were to materialise our key concern would be to ensure that any on-going grant commitments to partner organisations can be met. To mitigate this risk the Trust maintains strong cash reserves and monitors the reserves at every meeting to ensure that all future funding commitments can be met.
- *External financial, organisational or programmatic failure:* the Trust funds the work of independent not-for-profit organisations. There is a risk that these projects may not deliver the agreed objectives due to: inherent risk of failure in an innovative project; poor project design; a lack of financial and/or human capacity to carry out the work; and natural hazards and conflict impeding project implementation. The Trustees are willing to fund high-risk projects in certain situations where success could lead to truly transformative results and risks are clearly acknowledged and described. In general, risks are mitigated through due diligence and monitoring procedures. The 2017-2022 Funding Strategy envisages making fewer but larger grants. This has enabled significantly more time to be invested in scouting and screening potential grantees before and during the application processes, compared to previous years. All projects are monitored annually and the Trust aims to visit all overseas projects at least once. Any concerns are fed back to our partners and we seek proof that these are addressed before releasing the next tranche of funding. In 2018 we visited three overseas partners: SAWA in Lebanon, Send a Cow and Solar Aid in Zambia.

Trustees' Report (cont.)

Charitable Objectives and Activities

The objects of the Trust are: to pay or apply its funds for the benefit of such charitable institutions, or for such charitable purposes, as the trustees in their absolute discretion from time to time think fit.

The purpose of the Trust as defined by the Trustees is: to use the Trust income to provide financial and other support to individuals, organisations and projects that help to make change for those in real need in the UK and the wider world.

In order to achieve our charitable purpose and ensure that our grant-making is for public benefit, the Trustee Board agreed a strategy and grant-making policy in December 2016 for the period January 2017 to December 2022. The new Strategy builds on the experience of the Trust by maintaining the current focus on women's empowerment in Africa and Asia and disadvantaged young people in the UK.

The 2017-2022 Strategy contains the following key elements:

1. *Women's Empowerment Programme.*

We will fund projects that seek to empower extremely poor, deprived and marginalized women. We are interested in projects that actively promote women's rights, especially the right to live free from violence, slavery and discrimination, and/or lead to women's economic empowerment. Our multi-year grants are specifically targeted at small to medium sized organisations that are committed to gender equity and value women's leadership. We have the following geographical focus: Ethiopia, Kenya, Tanzania, Zambia and Afghanistan, Cambodia, Indonesia and Pakistan.

2. *Disadvantaged Young People Programme*

We will give multi-year grants to UK based charities that seek to turn around the lives of young people not in employment, education or training. Our grants are specifically targeted at charities that use sports and the arts to engage disadvantaged young people. We focus our work on London and the North-East and are interested in funding projects that also address the mental health needs of young disadvantaged people.

To maximize the impact of our grant-making, we will focus our funding on organisations that are effective, share our ambitions and whose projects are most aligned with our interests and passions. The Trust will support charities, social enterprises and other not-for-profit registered bodies that demonstrate sound financial management. We seek to work with organisations with an annual turnover of not more than £10 million.

In addition, a portion of the Trust's grant-making budget is used to fund charitable projects and initiatives that individual family members are passionate about.

Public Benefit

The Trustees confirm that they have given due regard to the Charity Commission's published guidance on Public Benefit when reviewing the Trust's aims and objectives, in setting the grant-making policy for the Trust and when making grant-decisions. The Trustees ensure that all projects and organisations funded by the Trust have charitable objects or purposes as defined by the Charities Act 2011.

The Trust delivers public benefit through its grant-making activities, the aim of which is to bring about positive change for people in need in the UK and overseas. In the year 2018 the Trust demonstrated its Public Benefit by making total net grants of £406,512 representing 70% of its income for the year. The shortfall between income (not including the property donation) and expenditure was made up from retained income from previous years.

Trustees' Report (cont.)

Achievements and Performance

During the year the Trust made a total of 20 charitable grants. The Trust provides funding to distinct projects whose objectives are mutually agreed at the outset of each project. All grant recipients report on their project's achievements when the projects close. In the case of multi-year grants, progress against project objectives is monitored through annual progress reports.

All new grants made during the year are detailed below under their respective programme.

Women's Empowerment Programme

Four new grants were awarded this year for a total of £275,000

Cambodian Women's Crisis Centre, Cambodia, £120,000 over three years.

This projects builds upon previous work of CWCC that was also funded by the JAC Trust. The aim of the project is to prevent illegal migration by raising awareness of how to migrate legally and highlighting the risks associated with illegal migration. The project will continue working in the 12 existing villages and expand into another 6 villages. The project uses a tried and tested approach that empowers women to question visa brokers and other traffickers, thereby keeping them safe. Project activities also include training local officials in their roles and responsibilities vis-à-vis migration and domestic violence. Despite huge needs Cambodia is a country that is forgotten by many donors. The JAC Trust is the sole funder of this project.

myAgro, Tanzania, £40,000 over one year.

The aim of this pilot project is to increase the yields and thereby the incomes of 1000 smallholder farmers (including 600 women farmers) in southern Tanzania by an average of \$145 pa. This project is myAgro's first intervention in eastern Africa and will test several innovations to it's tried and tested western Africa model, including the development of a myAgro mobile platform. The pilot includes a substantial investment in monitoring, evaluation and learning which will inform the design of future projects. The JAC Trust is a minor funder of this project, contributing 9% to the overall cost.

S.A.F.E. Kenya, Kenya, £100,000 over three years.

After 8 years of work by S.A.F.E. Maa the end of FGM/C among the Maasai of the Loita Hills is in sight: in February 2019 the 21 Cultural Leaders of the Loita Maasai will publicly declare their abandonment of FGM. This three year grant supports the preparatory work for the Declaration of Abandonment to go ahead along with two years of outreach work after the Declaration, to monitor and encourage uptake of the Alternative Right of Passage so that it becomes firmly embedded in the entire 40,000 strong community. The JAC Trust is the main funder of the project, providing 52% of the overall budget.

Khwendo Kor, Pakistan, £15,000 over 1 year.

We have supported the work of KK in the dangerous tribal areas of Pakistan for 9 years. This is our second capacity building grant to KK, it will enable KK to strengthen it's financial management systems, policies and processes. The JAC Trust is the sole funder of this capacity building initiative.

Trustees' Report (cont.)

Achievements and Performance (cont.)

Youth Fund

Mediorite Ltd., London, £74,828 over 3 years

Project Shift seeks to ensure that marginalized and excluded young people can become successful freelance creative workers in the new digital economy. In total 170 young people will benefit. 120 excluded young people will be made aware of the opportunities in the creative sector through Mediorites accredited 'make a film in a day' course. A further 50 people will benefit from a 18 week intensive work training, personal development and work placement programmes for marginalised young creatives with some experience in media work.

General Fund

All grants are for a maximum of 12 months unless otherwise stated.

Eucalyptus Foundation, £34,434.40

Glastonbury Trust, UK, £10,000

Under this grant two shipping containers will be converted into two one bedroom homes to demonstrate that container homes can play a part in tackling the homelessness crisis in Somerset. The Trust is contributing 20% of the total budget.

Sawa Development for Aid, Lebanon, £25,000

This is the second grant made to SAWA for their Bridging Project. The aim is to improve the Arabic, Maths and English skills of Syrian youths so that they can access vocational education opportunities or be accepted into the Lebanese school system. The project targets 11-17 year old Syrian refugees living in informal refugee camps in the Bekaa valley. The teachers are also drawn from the Syrian refugee community. The Trust is contributing 45% of the overall budget.

Excellent Development, Kenya, £10,000

This project seeks to increase the resilience of a rural farming community to climate change by improving water and food security. Construction of a sand dam will improve water security for 4500 people. 175 people will benefit from training in climate smart agriculture, leading to improved food security and higher household incomes. This in turn increases these households resilience to shocks, including climate change. The JAC Trust is providing 39% of the budget with the community contributing 24.5%.

Nelson Trust, Somerset, £12,000

This grant enables the Bridgwater Women's Centre to run a crèche, enabling women who are actively seeking recovery from substance abuse, trauma and criminal involvement to regular attend group and one on one sessions at the centre.

Somerset Community Foundation, £12,000 over 24 months

This grants supports a school based mentoring programme that is proven to improve the attainment, life skills and resilience of disadvantaged young people in Somerset.

The Asia Foundation, Vietnam, £12,000 over 6 months

The aim of this project is to increase factory workers' understanding of their legal rights through off-line legal education sessions and raising awareness of a dedicated on-line workers' rights portal.

In addition to the grants detailed above, we gave small grants of £3,000 each to seven organisations and paid out a £3000 commitment to Life Yard that was made in 2017.

Trustees' Report (cont.)

Impact

As a funder of projects, the Trust is interested in impact on the ultimate beneficiaries of the projects. All grant recipients are required to provide us with a final project report that details the extent to which project activities have delivered positive changes for beneficiaries.

Women's Empowerment Fund.

The wide range of activities we support in diverse contexts means that we do not have a standard impact indicator against which all projects are measured. Instead each project is taken on an individual basis and outcomes are measured against the objectives agreed with the project.

In 2018 five projects closed and reported their impact to us. In headline terms, the final grant reports show that our funding contributed significantly to the following:

- The economic empowerment of 1130 extremely poor women in rural Guinea through the creation and strengthening of women's enterprise groups. *United Purpose, Guinea, November 2014 – October 2017.*
- Increased incomes for 5000 women in eastern Zambia through engaging in horticulture, practicing conservation agriculture and increased access to markets. *CoMaCo, Zambia, January 2015 – December 2017.*
- The empowerment of 1955 women in Egypt through rights based training. The project also led to 110 women becoming employed and the creation of 103 collective businesses. *Christian Aid/Wadi el Nil, Egypt, January 2015 – March 2018.*
- Better support for domestic workers in four Indonesian States through the creation of a paralegal cadre and the strengthening of 9 domestic worker unions. *Sisters for Change, Indonesia, October 2014 – October 2017.*
- A shift in attitudes among the Loita Maasai away from FGM towards the alternative right of passage. All 47 cultural leaders of the Loita Maasai blessed the alternative right of passage and have pledged their support to end FGM. *S.A.F.E., Kenya (August 2017 – July 2018):*

Youth Fund

The partners who we work with seek to change the attitudes and build the confidence of disadvantaged young people not in education, employment or training (NEET). This is often the first step in a longer journey towards re-engaging with education, employment or training. We do not have standardised impact indicators that apply to all the youth projects, preferring to let our partners identify the indicators that are most applicable to them and their projects.

Two projects closed at the end of 2017 and reported their impact to us; the three year Peer Leaders project run by Skyway and the three year Inspired Digital Pathways project, a joint initiative between Inspire! and Mediorite. These final grant reports show that our funding contributed to:

- 42 young people at risk of joining gangs becoming trained peer and sports leaders, completing 80 hours of voluntary work each.
- 14 young people moving into regular employment, including former gang members and young offenders.
- 26 young people gaining a Bronze Arts Award and a further 83 gaining an AQA.

General Fund

In 2018 two projects closed and reported their impact to us. The diversity in issues addressed and approaches taken by these projects does not lend itself to aggregation. Impact is therefore reported on a project-by-project basis:

Trustees' Report (cont.)

Impact (cont.)

- *60 young Syrian refugees* benefitted from intensive Arabic, English and Maths lessons as well as psycho-social support. Attending school on a regular basis also provided some protection from child labour and early marriage. *Sawa Development for Aid, Lebanon, £25,412.*
- 1400 solar lights were sold to parents of pupils benefitting 8400 people in total. This created 6.3 million extra study hours and by replacing kerosene lamps led to the saving of 581 tonnes of CO₂. *Solar Aid, £10,000*

Social Investment

The Trust made no social investments in 2018. The repayments on the social investment made in 2016 are on schedule.

Financial Review

The principal funding sources of the Trust are from investment income of £391,621 (2017: £398,707) and donations of £191,413 (2017: £40,864). Total income was therefore £583,034 (2017: £439,571), representing an increase of 33%.

Expenditure was £518,441 (2017: £587,740), representing 89% of income, of which grants for charitable purposes were a net £406,512 (2017: £486,695).

Reserves Policy

The trustees do not operate a reserves policy, but manage the balance between short and long term financial objectives through their grant making and investment policies.

Unrestricted reserves at 31 December 2018 were £15,564,786 (2017: £16,492,017).

Investment Policy and Performance

The trustees review the investment strategy and the investments on a regular basis and are satisfied with the suitability of these in accordance with the Trustee Act 2000.

Investment objectives are reviewed each year with the fund managers who report to the trustees on the performance of the investments against agreed benchmarks.

The investment income is from a shareholding in C&J Clark Ltd and a portfolio of other investments managed by Rathbones. The Trustees set targets for Rathbones to achieve a reasonable growth and dividend return (2.5%), comparable to appropriate market indices, but within an ethical framework. The targets were met.

The ethical framework includes an exclusion on UK listed companies whose operations include significant involvement in tobacco, weapons, or nuclear power. There is also a discrete fund ('G') of approximately 20% of the total value of the overall portfolio, which is invested exclusively in companies and investment funds with positively ethical objectives, and operating in environmental areas and other sectors.

The Trust holds a significant interest in C&J Clark Ltd. The Trustees believe that this investment has provided a good return in terms of income and capital growth. They review the position regularly, and are currently satisfied that the holding should be retained.

Trustees' Report (cont.)

Future Plans

In 2017 the trustees decided to dedicate 2019 to a strategic review of our past work and existing governance structure leading to the development of a new organisational strategy. To allow sufficient time for reflection and research, no funding applications will be accepted throughout 2019 and no new grants will be awarded. However, the Trust will continue to operate, paying out and managing grants awarded in 2017 and 2018.

The new strategy will be launched at the Trust's AGM in January 2020. As agreed by the Trustees in August 2019, the future thematic focus of the Trust will be the environment refugee intersection.

Audit

A resolution proposing that Haines Watts Bristol Limited be re-appointed as the auditors of the charity for the financial year ending 31 December 2019 was passed at the 1 December 2018 AGM.

Trustees' Report (cont.)

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom accounting standards (the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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 those financial statements, the trustees are required to:

1. Select suitable accounting policies and apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. Observe methods and principles in the Charities SORP 2015 (FRS 102);
4. State whether the financial statements comply with applicable accounting standards and the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
5. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signature and Declaration

This report was approved by the Trustees on and signed
on their behalf by:

.....
Odette Clark Campbell
Chair of the Trustees

Independent Auditors' Report to the Trustees of the JA Clark Charitable Trust

Opinion

We have audited the financial statements of the JA Clark Charitable Trust for the year ended 31 December 2018, which comprises the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Generally Accepted Accounting Practice including FRS 102 "the Financial Reporting Standard applicable to the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditors' Report to the Trustees of the JA Clark Charitable Trust

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the charity's trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Trustees of the JA Clark Charitable Trust

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

Haines Watts Bristol Limited – Statutory Auditor
Chartered Accountants and Statutory Auditors
Bath House
Bath Street
Bristol
BS1 6HL

.....
Date:

Haines Watts Bristol Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

JA Clark Charitable Trust
Statement of Financial Activities
Year ended 31 December 2018

	Note	Year ended 31/12/2018 £ Total funds (unrestricted)	Year ended 31/12/2017 £ Total funds (unrestricted)
Income and endowments from:			
Donations and legacies	2	191,412.67	40,863.64
Investments	3	391,621.16	398,707.51
Total income		583,033.83	439,571.15
Expenditure on:			
<i>Raising funds</i>			
Investment management fees	4	(43,034.26)	(44,300.06)
<i>Charitable activities</i>			
Family Fund	5	(93,213.22)	(115,391.66)
Women's Empowerment Fund	5	(204,028.81)	(300,317.17)
Youth Projects Fund	5	(78,272.70)	(62,579.29)
Other grants	5	(99,891.73)	(65,151.50)
Cost of grant making		(475,406.46)	(543,439.62)
Total expenditure		(518,440.72)	(587,739.68)
Net gains/(losses) on investments	8	(1,038,397.51)	(2,659,956.09)
Gains/(losses) on revaluation of investment fixed assets	15	36,287.00	59,592.00
Net income/(expenditure)		(937,517.40)	(2,748,532.62)
Other recognised gains/(losses):			
Other gains/(losses)		10,286.98	(8,490.63)
Net movement in funds for the year		(927,230.42)	(2,757,023.25)
Reconciliation of funds:			
Total funds brought forward		16,492,016.73	19,249,039.98
Total funds carried forward		15,564,786.31	16,492,016.73

All resources are unrestricted.

The notes on pages 17 to 27 form part of these accounts.

JA Clark Charitable Trust
Balance Sheet
31 December 2018

	Note	31/12/2018 £ Unrestricted funds	31/12/2017 £ Unrestricted funds
Fixed assets			
<i>Tangible fixed assets:</i>			
Land and buildings - held for investment	15	1,135,879.00	1,099,592.00
Land and buildings - held for charitable purposes	15	195,782.00	-
<i>Investments:</i>			
<i>Programme-related investments</i>			
Loan to Soul of Africa UK Ltd - due >1 year	18	29,600.00	40,400.00
<i>Financial investments</i>			
Investments at fair value	8	13,656,768.55	14,591,739.09
Cash held for investment	8	508,225.55	690,122.02
		15,526,255.10	16,421,853.11
Current assets			
Cash at bank		263,775.38	266,983.50
Income tax repayment due	19	1,747.35	18,008.99
Dividends due		-	1,746.20
<i>Programme-related investment:</i>			
Loan to Soul of Africa UK Ltd - due <1 year	18	10,800.00	10,200.00
		276,322.73	296,938.69
Current liabilities			
Creditors: amounts falling due within one year	10	142,123.52	161,775.07
Net current assets		134,199.21	135,163.62
Non-current liabilities			
Creditors: amounts falling due after one year	10	95,668.00	65,000.00
Net assets		15,564,786.31	16,492,016.73
The funds of the charity:			
Unrestricted funds		15,564,786.31	16,492,016.73
Total charity funds		15,564,786.31	16,492,016.73

The notes on pages 17 to 27 form part of these accounts.

Approved by the Trustees on.....

and signed on their behalf by:

.....
Odette Clark Campbell
Chairperson on behalf of the Trustees

**JA Clark Charitable Trust
Statement of Cash Flows
Year to 31 December 2018**

	Note	Year ended 31/12/2018 £	Year ended 31/12/2017 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	16	(483,585.76)	(364,869.06)
Cash flows from investing activities:			
Dividends, interest and rents from investments		391,621.16	398,707.51
Proceeds from the sale of investments		2,295,704.11	2,150,321.16
Purchase of investments		(2,399,131.08)	(2,151,659.19)
Net cash provided by/(used in) investing activities		288,194.19	397,369.48
Change in cash and cash equivalents in the year		(195,391.57)	32,500.42
Cash and cash equivalents at the beginning of the year		957,105.52	933,095.73
Total change in cash and cash equivalents due to exchange rate movements		10,286.98	(8,490.63)
Cash and cash equivalents at the end of the year	17	772,000.93	957,105.52

The notes on pages 17 to 27 form part of these accounts.

1 Accounting Policies

Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention except for investments and properties which have been included at fair value (their market value).

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published 2 February 2016) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2015 which has since been withdrawn.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability from multi-year grant commitments. With respect to the next year, the most significant areas of uncertainty that affect the carry value of assets held by the Trust are the level of investment return and the performance of investment markets.

The trust constitutes a public benefit entity as defined by FRS 102.

Judgements and key sources of estimation uncertainty

The preparation of accounts in conformity with FRS 102 requires Trustees to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based upon historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values and liabilities that are not readily available from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. Certain critical accounting judgements in applying the Charity's accounting policies are described below:

The Trustees have considered the valuation of fixed asset investments and have concluded no impairments are necessary.

Tangible fixed assets

Land and buildings are included in the balance sheet at their fair value. Revaluations of the properties are taken to a revaluation reserve within the unrestricted funds of the charity as detailed in note 12. The trustees will obtain a formal valuation of the properties every 5 years and re-estimate the market value each year based on the Land Registry House Price Index for the South West in the years between formal valuations. The investment properties were last formally valued at 25 October 2016, which was taken as a best approximation to valuation on 31 December 2016. Capital expenditure incurred on the properties is also added to the book value in the period between valuations. Further detail is provided in note 15.

Fixed asset investments

Listed investments and properties are included in the balance sheet at fair value (their market value).

The realised and unrealised gains on investments are reflected in the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the period end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the statement of financial activities.

1 Accounting Policies (cont.)

Programme-related investments

Programme-related investments are included in the balance sheet at their fair value (the value of the loan outstanding).

Debtors and creditors

Debtors and creditors are measured at invoice price, less any applicable discounts.

Short term liquid investments and cash

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

Income

Income from all sources is accounted for when the charity is legally entitled to and can be quantified with reasonable accuracy. Investment income, consisting of interest and dividends is accounted for on a receivable basis.

Income and expenditure in foreign currencies is translated into sterling at the rates of exchange ruling at the date of the transaction. Assets and liabilities are translated at the rates of exchange ruling at year end. Exchange differences are taken into account in arriving at the operational result and are included in Realised Gains on currency movements within the Statement of Financial Assets.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Expenditure

Expenditure is included on an accruals basis, inclusive of irrecoverable VAT. Grants made are included in the accounts when they are authorised by the trustees

Costs of generating funds are those incurred in managing the investments. Other costs are governance and supports costs.

Staff and secretarial costs are estimated to be 80% support and 20% governance-related. Meeting and stationery costs are estimated to be 20% support and 80% governance-related. Website marketing is 100% support cost.

Governance and support costs are then allocated between the programme funds based on the number of recipients of grants for each programme fund.

Taxation

The trust is not liable to taxation on its charitable activities.

Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The costs of the defined contribution scheme are included within support and governance costs and charged to the unrestricted funds of the charity using the methodology set out in notes 4 and 5.

The trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

1 Accounting policies (cont.)

Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's Balance Sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the accounts, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash bank balances, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market value rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for the goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Income from donations

	Year ended 31/12/2018	Year ended 31/12/2017
	£	£
Donations	1,310.67	24,500.00
Repayable tax deducted at source	102.00	16,363.64
34 Pine Close	190,000.00	-
	<u>191,412.67</u>	<u>40,863.64</u>

JA Clark Charitable Trust
Notes to the Accounts
Year ended 31 December 2018

3 Investment income

	Year ended 31/12/2018 £	Year ended 31/12/2017 £
<i>Listed investment portfolios</i>		
Dividends	179,763.51	184,364.30
Interest	22,396.70	15,794.71
Commission	16.48	66.18
<i>Unlisted investment</i>		
Dividends	178,100.00	191,800.00
<i>Bank Interest</i>	1,198.31	372.36
<i>Property income</i>	10,146.16	6,309.96
Total	391,621.16	398,707.51

4 Resources Expended

	Year ended 31/12/2018 £	Year ended 31/12/2017 £
Expenditure on raising funds:		
Investment management	43,034.26	44,300.06

Expenditure on charitable activities:

Support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Governance (part)	Other support	Year ended 31/12/2018 Total	Year ended 31/12/2017 Total
	£	£	£	£
Staff costs (see below)	4,240.35	16,961.40	21,201.75	20,076.82
Secretarial costs	2,393.62	9,574.49	11,968.11	7,777.44
Stationery and meeting expenses	13,609.76	3,402.44	17,012.20	14,349.93
Website marketing	-	720.00	720.00	857.88
	<u>20,243.73</u>	<u>30,658.33</u>	<u>50,902.06</u>	<u>43,062.07</u>

Allocation of staff and secretarial costs is based on an estimate that 20% of the trust's employee time and secretarial time is spent on governance activities.

Allocation of stationery and meeting expenses is based on an estimate that 80% of such expenses relate to governance activities.

Staff costs comprise:

	£	£
Salaries and wages	17,451.63	16,326.70
Pension costs	3,750.12	3,750.12
	<u>21,201.75</u>	<u>20,076.82</u>

4 Resources Expended (cont.)

Governance costs	£	£
Accountancy	14,904.00	12,780.00
Audit (see below)	2,670.00	2,592.00
Bank charges	418.00	260.35
Legal	-	(1,950.00)
Support costs (see above)	20,243.73	17,050.79
Total governance costs	38,235.73	30,733.14

The auditors were paid £2,670 (2017: £2,592) for statutory audit work only. They do not provide any other services to the Trust.

Allocation of governance and other support costs	No. recipients	Year ended 31/12/2018 £	Year ended 31/12/2017 £
Family Fund	4	13,778.82	12,896.46
Women's Empowerment Fund	4	13,778.81	10,317.17
Youth Projects Fund	1	3,444.70	2,579.29
Other grants	11	37,891.73	30,951.50
	20	68,894.06	56,744.42

The allocation of governance and support costs between the programme funds of the trust is proportional, based on the number of recipients of grants for each primary objective. This apportionment will be recalculated each year.

5 Analysis of charitable expenditure

The trust undertakes its charitable activities through grant making and awarded grants to a number of institutions in furtherance of its charitable activities.

	Grant funded activity £	Support and governance £	Year ended 31/12/2018 Total £	Year ended 31/12/2017 Total £
Family Fund	79,434.40	13,778.82	93,213.22	115,391.66
Women's Empowerment Fund	190,250.00	13,778.81	204,028.81	300,317.17
Youth Projects Fund	74,828.00	3,444.70	78,272.70	62,579.29
Other grants	62,000.00	37,891.73	99,891.73	65,151.50
Total allocated	406,512.40	68,894.06	475,406.46	543,439.62

All expenditure on charitable activities was unrestricted.

6 Paid Employees

The charity has one paid employee (2017: one).
No employees received employee benefits in excess of £60,000.

JA Clark Charitable Trust
Notes to the Accounts
Year ended 31 December 2018

7 Grants made to institutions

	Year ended 31/12/2017	Total amount of grants committed Year ended 31/12/2018
	£	£
General (Family Fund)		
Conflicts Forum	15,000.00	-
Eucalyptus Charitable Foundation	37,083.20	34,434.40
Excellent Development	-	10,000.00
Glastonbury Trust	-	10,000.00
Lalibela Trust	15,000.00	-
SAWA Development & Aid	25,412.00	25,000.00
SolarAid	10,000.00	-
	102,495.20	79,434.40
Women's Empowerment Fund		
CoMaCo	15,000.00	-
CWCC	-	120,000.00
Khwendo Kor	-	15,000.00
MyAgro	-	40,000.00
Send a Cow	95,000.00	-
Sisters for Change	150,000.00	(84,750.00)
Sponsored Arts For Education	30,000.00	100,000.00
	290,000.00	190,250.00
Youth Projects Fund		
Community Music	60,000.00	-
Mediorite	-	74,828.00
	60,000.00	74,828.00
Other grants		
Alexandra Wylie Tower Foundation	-	5,000.00
Alzheimer's Research	3,000.00	-
Amasosha Art Advancement	-	3,000.00
Asia Foundation	-	12,000.00
Brave Hearts	3,000.00	-
Dance United	3,000.00	-
Do Good Jamaica	-	3,000.00
Greenhouse Sports	-	3,000.00
Global Zero	3,000.00	-
Help Refugees	-	3,000.00
Lensational	3,000.00	-
Life Yard	3,000.00	-
Nelson Trust	-	12,000.00
Overleigh Charitable Trust	3,000.00	-
PCC of St Andrews	3,000.00	-
Refugee Council	3,000.00	-
SAMH	3,000.00	-
Save the Children	3,500.00	-
Somerset Community Fund	-	12,000.00
St Abbs & Eyemouth Voluntary Marine Reserve	-	3,000.00
Surfers Not Street Children	-	3,000.00
The Orpheus Centre	-	3,000.00
University of York (CAHR)	700.00	-
	34,200.00	62,000.00
Total grants to institutions	486,695.20	406,512.40

7 Grants made to institutions (cont.)

Reconciliation of Grants

Grants committed for the year	406,512.40
Grants paid during the year	(397,810.40)
Commitments at 1 January 2018	195,500.00
Commitments at 31 December 2018	<u>204,202.00</u>

Commitments at 31 December 2018 are payable as follows:

Within one year	108,534.00
After more than one year	95,668.00
	<u>204,202.00</u>

There were withdrawn commitments of £84,750 during the year due to early completion of the Sisters for Change project.

8 Investments

	£
Market value of shares and securities at 1 January 2018	14,591,739.09
Acquisitions at cost	2,399,131.08
Proceeds of sales	(2,295,704.11)
Revaluations	(1,038,397.51)
Market value of shares and securities at 31 December 2018	<u>13,656,768.55</u>

Investments held at fair value at 31 December 2018 comprised:

Investment properties at market value	1,135,879.00
Listed shares and securities	6,327,268.55
Unlisted shares	7,329,500.00
	<u>14,792,647.55</u>

Cash held as part of the investment portfolio	508,225.55
	<u>15,300,873.10</u>

Investment assets in the UK	14,389,584.14
Investment assets outside the UK	911,288.96
	<u>15,300,873.10</u>

The change in market value during the year, and shown in the revaluations above, comprises all the increases and decreases in the market value of investments held at any time during the year including profits and losses realised on sales of investments during the year.

All investments are carried at their fair value. Investments in listed equities and fixed interest securities are all traded on quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost.

See note 9 for the fair value of the unlisted shares and note 15 for the valuation policy for investment properties.

9 Material Investments

The following holding represents more than 5% of the market value of the combined portfolios and is therefore classed as a material interest of the trust.

	Market Value at 31/12/2018
	£
C & J Clark Ltd £1 ordinary shares	<u>7,329,500.00</u>

At 31 December 2018 the trustees held 1,370,000 £1 ordinary shares. They were valued by PricewaterhouseCoopers in October 2018 at a price of £5.35 per share, and it is this value which has been used for the purposes of these accounts.

The valuation in May 2019 was £2.40 per share, representing a post-balance sheet fall in value of £4,041,500.

10 Creditors and Accruals

	Amounts falling due within one year	
	Year ended 31/12/2018	Year ended 31/12/2017
	£	£
Grants payable	108,534.00	130,500.00
Rent due to co-owner	5,583.52	4,776.09
Rental accruals	-	297.32
Investment management fees	10,244.00	11,309.66
Professional fees	17,762.00	14,892.00
	<u>142,123.52</u>	<u>161,775.07</u>

	Amounts falling due after one year	
	Year ended 31/12/2018	Year ended 31/12/2017
	£	£
Grants payable	<u>95,668.00</u>	<u>65,000.00</u>
	<u>95,668.00</u>	<u>65,000.00</u>

11 Trustees Expenses & Volunteered Time

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or in kind (2017: £nil).

No monetary value has been assigned to this donated time in the accounts in line with the Charities SoRP (FRS 102).

Trustees were reimbursed for travel costs incurred on trust business (i.e. attending trustee meetings), and the trust also paid for membership and training courses for the trustees provided by the Association of Charitable Foundations. These expenses totalled £2,458 in 2018.

JA Clark Charitable Trust
Notes to the Accounts
Year ended 31 December 2018

12 Movement in Funds	01/01/2018	Net movement in funds	31/12/2018
	£	£	£
2018			
Unrestricted funds			
General Fund	16,492,016.73	(963,517.42)	15,528,499.31
Investment fixed asset revaluation reserve		36,287.00	36,287.00
Total Funds	<u>16,492,016.73</u>	<u>(927,230.42)</u>	<u>15,564,786.31</u>
	01/01/2017	Net movement in funds	31/12/2017
	£	£	£
2017			
Unrestricted funds			
General Fund	18,999,039.98	(2,816,615.25)	16,182,424.73
Investment fixed asset revaluation reserve	250,000.00	59,592.00	309,592.00
Total Funds	<u>19,249,039.98</u>	<u>(2,757,023.25)</u>	<u>16,492,016.73</u>

Net movement in funds, included in the above are as follows:

	Income	Expenditure	Gains and losses	Net movement in funds
	£	£	£	£
2018				
Unrestricted funds				
General Fund	583,033.83	(518,440.72)	(1,028,110.53)	(963,517.42)
Investment fixed asset reval. reserve	-	-	36,287.00	36,287.00
Total Funds	<u>583,033.83</u>	<u>(518,440.72)</u>	<u>(991,823.53)</u>	<u>(927,230.42)</u>
	Income	Expenditure	Gains and losses	Net movement in funds
	£	£	£	£
2017				
Unrestricted funds				
General Fund	439,571.15	(587,739.68)	(2,668,446.72)	(2,816,615.25)
Investment fixed asset reval. reserve	-	-	59,592.00	59,592.00
Total Funds	<u>439,571.15</u>	<u>(587,739.68)</u>	<u>(2,608,854.72)</u>	<u>(2,757,023.25)</u>

13 Related Party Transactions

Note 7 shows that donations of £34,434.40 (2017: £37,083.20) were made to the Eucalyptus Charitable Foundation ("Eucalyptus"). This reflects a long-standing agreement to mandate the dividends on 264,880 C&J Clark Ltd shares directly to Eucalyptus.

John Cyrus Clark, a trustee of Eucalyptus, is the brother of Thomas Clark, a trustee of the JA Clark Charitable Trust.

Note 18 shows details of a loan advanced to Soul of Africa UK Ltd. The director of Soul of Africa UK Ltd, Dulma Clark, is the sister-in-law of Odette Clark Campbell.

Donations from trustees and other related parties to the JA Clark Charitable Trust without attached conditions totalled £1,310.67 (2017: £24,500).

Note 15 shows details of a property gifted to the Trust by the JA Clark 1960 Settlement.

14 Ultimate Controlling Party

The charity is controlled jointly by the trustees.

15 Land and Buildings

Held for investment

The freehold land and buildings were professionally valued at £1,040,000 as at 31 December 2016. The trustees have revalued the properties based on the Land Registry House Price Index for the South West, using the average percentage change in value for existing properties for the year to December 2018, which was 3.3%.

Reconciliation of investment property valuation

	£
Carrying value at 1 January 2018	1,099,592.00
Revaluation	<u>36,287.00</u>
Carrying value at 31 December 2018	<u><u>1,135,879.00</u></u>

Held for charitable purposes

On 27 November 2018, the JA Clark 1960 Settlement transferred ownership of 34 Pine Close, BA16 0RS, to the Settlement in order for it to be held for charitable purposes. It is currently being used as accommodation for a refugee family.

The property was valued in November before the transfer, and going forwards will be revalued using the Land Registry House Price Index.

	£
Transfer in from JA Clark 1960 Settlement	190,000.00
Capital expenditure	<u>5,782.00</u>
Carrying value at 31 December 2018	<u><u>195,782.00</u></u>

16 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Year ended 31/12/2018	Year ended 31/12/2017
	£	£
Net income/(expenditure) for the reporting period, as per SoFA	(937,517.40)	(2,748,532.62)
Adjustments for:		
Deduct gains / add losses on investments	1,038,397.51	2,659,956.09
Deduct gains / add losses on investment fixed assets	(36,287.00)	(59,592.00)
Deduct dividends, interest and rents from investments	(391,621.16)	(398,707.51)
Deduct non-cash donation	(195,782.00)	-
Increase/(decrease) in creditors	11,016.45	180,353.18
Decrease/(increase) in debtors	18,007.84	(1,746.20)
Decrease/(increase) in loan balance to Soul of Africa UK Ltd	10,200.00	3,400.00
Net cash provided by/(used in) operating activities	<u>(483,585.76)</u>	<u>(364,869.06)</u>

17 Analysis of cash and cash equivalents

	31/12/2018	31/12/2017
	£	£
Cash at bank	263,775.38	266,983.50
Cash held for investment	508,225.55	690,122.02
Total cash and cash equivalents	<u>772,000.93</u>	<u>957,105.52</u>

18 Loan to Soul of Africa UK Ltd

In August 2016 the trustees lent £54,000 to Soul of Africa UK Ltd, which has used it to set up a shoe-making business in Ethiopia.

The loan is to be repaid in tranches, with the final tranche and interest of 1% of the loan principal to be repaid on 31 May 2021. £10,200 was repaid this year and £10,800 is due to be repaid in the next year .

	Year ended 31/12/2018	Year ended 31/12/2017
	£	£
Loan for repayment - due within 1 year	10,800.00	10,200.00
Loan for repayment - not due within 1 year	29,600.00	40,400.00
Total due for repayment	<u>40,400.00</u>	<u>50,600.00</u>

19 Income tax repayable

The trustees are due income tax repayments as outlined below.

	Year ended 31/12/2018	Year ended 31/12/2017
	£	£
Repayable income tax deducted at source - Rathbones portfolio	1,645.35	1,645.35
Repayable income tax credit - donation	102.00	16,363.64
	<u>1,747.35</u>	<u>18,008.99</u>

20 Fair value of assets and liabilities

Exposure to credit risk

The main debtor of the Charity is Rathbone Investment Management who hold investment income at the year end. The risk of loss arising from the investment manager failing to pay over the income generated by the investment portfolio is considered low as the investment manager is a regulated institution and the income is paid over regularly to the Charity's bank account.

Exposure to market risk

Investments represent the majority of the Charity's net assets. The risk of a financial loss arising from listed investments due to changes in the market are mitigated by the active management of the investment portfolio by a professional investment manager and the diversification of the investment portfolio based on an investment policy approved by the Trustees.

The unlisted investment in C & J Clark Limited is revalued based on semi-annual valuations of the shares by PriceWaterhouseCoopers, Chartered Accountants. The valuation incorporated in the accounts was prepared in October 2018, the valuation closest to the balance sheet date. The Trustees keep this investment under regular review having regard to their duty to consider suitability and appropriate diversification.

Changes in fair values of debtors, creditors & investments due to credit risk

There have been no changes in the fair values of basic financial instruments (debtors, creditors and investments) attributable to changes in credit risk.