

**THE OLD JOHNIAN CHARITY LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2007**

**Company Registration No: 01181090**  
**Charity Registration No: 325117**

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## **THE OLD JOHNIAN CHARITY LIMITED**

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**THE OLD JOHNIAN CHARITY LIMITED**  
**REPORT OF THE BOARD OF MANAGEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2007**

The Board of Management ("the Board") presents its annual report for the year ended 30 June 2007 under the Companies Act 1985 and the Charities Act 1993, together with the unaudited financial statements for the year, and confirms that the latter comply with the requirements of the Companies Act 1985, the Company's Memorandum & Articles of Association and the Charities SORP 2005.

**REFERENCE and ADMINISTRATIVE INFORMATION**

<b>Charity Name:</b>	The Old Johnian Charity Limited
<b>Charity registration number:</b>	325117
<b>Company registration number:</b>	01181090
<b>Registered Office and Operational Address:</b>	St John's School Epsom Road, Leatherhead, Surrey. KT22 8SP
<b>Directors and members of the Board:</b>	N B Bengier (Chairman) P S Coote (appointed 10 November 2007) R A Evans (re-elected 11 November 2006) R H Francis D Fowler Major General M P J Hunt OBE Father M J Lawson (resigned 31 August 2007) H J Malins CBE MP (re-elected 11 November 2006) P R LI Morgan (re-elected 11 November 2006) P Weatherly
<b>Secretary</b>	N B Bengier
<b>Auditors:</b>	Badger Hakim (resigned 5 July 2007) Chartered Accountants & Registered Auditors 10 Dover Street, London W1S 4LQ
<b>Investment Manager:</b>	Smith & Williamson Investment Management 25 Moorgate, London EC2R 6AY
<b>Bankers:</b>	The Royal Bank of Scotland plc 62/63 Threadneedle Street, London EC2R 8LA  Alliance & Leicester Commercial Bank plc Bridle Road, Bootle, Merseyside L30 4GB

**THE OLD JOHNIAN CHARITY LIMITED**  
**REPORT OF THE BOARD OF MANAGEMENT (continued)**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Old Johnian Charity Limited ("the Company") is a charitable company, limited by guarantee, which does not have a share capital. It was incorporated on 16 August 1974 and registered as a charity on 17 October 1974. The Company was established under a Memorandum of Association, which established the objects and powers of the Company, and is governed by its Articles of Association. In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

**Recruitment and Appointment of members of the Board**

The directors of the Company are also charity trustees for the purposes of charity law and under the Company's Articles of Association are known as members of the Board.

Under the requirements of the Company's Articles of Association the Board shall not be less than four nor more than nine in number and shall include the President of The Old Johnian Society, the immediate past President and one other member of the Council thereof. No member who is not a member of The Old Johnian Society shall be eligible to be a member of the Board.

At each Annual General Meeting one third of the members of the Board, or if their number is not a multiple of three, the number nearest one third, retire from office with the exception of the President and the immediate past President. The members of the Board who retire in every year are those who have been longest in office since their last appointment. R H Francis, Major General M P J Hunt OBE and P Weatherly retire by rotation and, being eligible, offer themselves for re-election.

Members of the Board are appointed at meetings of the Board on the basis of nominations received. Every effort is made to maintain a broad mix of skills throughout the membership of the Board

**Trustee Induction and Training**

The existing trustees are already familiar with the practical work of the charity. New trustees are provided with details of the operational framework of the charity and the latest published accounts, and are advised of their obligations as members of the Board.

**Risk Management**

The Board has reviewed the major risks to which the Company is exposed and has established systems and procedures to manage those risks. The Board considers that the volatility of total returns on the Company's investments constitutes the major risk and it continues to keep the portfolio of investments under review with advice being sought from the Investment Managers.

**Organisational Structure**

The Board meets as and when the need arises.

The Secretary maintains close contact with both the Bursar and Chaplain of St John's Foundation School in order to identify cases where financial assistance may be required. Each individual application for assistance is considered, in detail, by the Board.

**THE OLD JOHNIAN CHARITY LIMITED**  
**REPORT OF THE BOARD OF MANAGEMENT (continued)**

**OBJECTIVES AND ACTIVITIES**

One of the main objects and the principal activity of the Company is the provision of financial assistance for pupils at St John's Foundation School, Leatherhead, in furtherance of their education.

**ACHIEVEMENTS AND PERFORMANCE**

Unusually, the Company was not called upon during the year to provide any assistance with the payment of school fees but grants were made to four pupils to enable them to participate in overseas educational trips with other pupils of St John's Foundation School.

**FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

**Trading**

The Company traded successfully during the year and maintained a sound financial position at the year end. Incoming resources amounted to £9,568 (2006: £7,556) of which investment income amounted to £9,030 (2006: £7,150). Total resources expended amounted to £1,990 (2006: £6,251) of which grants made amounted to £1,270 (2006: £5,481).

**Investment Policy and Performance**

The primary objective of the management of the investments is to preserve the capital value in real terms and to provide both income and capital growth if possible.

Investments sold during the year resulted in a profit of £245 (2006: £3,444). The market value of the investments increased during the year by £15,085 (2006: £19,912) and at the end of the year the investments had a market value of £219,212 (2006: £203,899). The Board considers that the performance, having regard to current market conditions, is satisfactory.

**Reserves Policy**

The Board believes that the Company needs to maintain a level of reserves sufficient to meet its commitments to beneficiaries.

The amount of free reserves held by the Company at 30 June 2007 was £226,562 which will allow the Board to sustain, in the medium to long-term, the ongoing programme of making grants and awards for educational purposes.

The Board continues to review the Reserves Policy in order to ensure that the level of reserves held, on an ongoing basis, will be adequate to fulfil the Company's obligations and to maintain its financial stability.

**FUTURE PLANS**

It is the intention of the Board that the Company will continue to distribute the major part of its Incoming Resources to pupils at St John's Foundation School, Leatherhead, in furtherance of their education.

**THE OLD JOHNIAN CHARITY LIMITED**  
**REPORT OF THE BOARD OF MANAGEMENT (continued)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The members of the Board of Management are also directors of the Company

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 as at the Balance Sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparing the financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy, the financial position of the Company at any time and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of error, fraud or other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Statement of Recommended Practice on Accounting and Reporting by Charities (the Charities SORP 2005) issued in March 2005.

Approved by the Board on 10 November 2007 and signed on its behalf by:



N B Bengier  
Secretary

**THE OLD JOHNIAN CHARITY LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 JUNE 2007**

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	2007	2006
	£	£	£	£
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from generated funds</b>				
Donations	14	128	142	78
Bank and other interest	389	7	396	328
Investment income	<u>8,406</u>	<u>624</u>	<u>9,030</u>	<u>7,150</u>
<b>Total Incoming Resources</b>	<u>8,809</u>	<u>759</u>	<u>9,568</u>	<u>7,556</u>
<b>RESOURCES EXPENDED</b>				
<b>Costs of generating funds</b>				
Miscellaneous expenses	-	-	-	50
Investment management and custodian charges	<u>705</u>	<u>-</u>	<u>705</u>	<u>705</u>
<b>Total costs of generating funds</b>	<u>705</u>	<u>-</u>	<u>705</u>	<u>755</u>
<b>Charitable expenditure</b>				
Legal and professional	15	-	15	15
Grants	<u>675</u>	<u>595</u>	<u>1,270</u>	<u>5,481</u>
<b>Total charitable expenditure</b>	<u>690</u>	<u>595</u>	<u>1,285</u>	<u>5,496</u>
<b>TOTAL RESOURCES EXPENDED</b>	<u>1,395</u>	<u>595</u>	<u>1,990</u>	<u>6,251</u>
<b>NET INCOMING RESOURCES before other recognised gains</b>	<u>7,414</u>	<u>164</u>	<u>7,578</u>	<u>1,305</u>
<b>MOVEMENT ON FIXED ASSETS INVESTMENTS</b>				
Realised gains	-	245	245	3,444
Unrealised gains	<u>9,388</u>	<u>5,697</u>	<u>15,085</u>	<u>19,912</u>
	<u>9,388</u>	<u>5,942</u>	<u>15,330</u>	<u>23,356</u>
<b>NET MOVEMENT IN FUNDS</b>	16,802	6,106	22,908	24,661
<b>BALANCE BROUGHT FORWARD AT 1 JULY 2006</b>	<u>166,426</u>	<u>32,045</u>	<u>198,471</u>	<u>173,810</u>
<b>BALANCE CARRIED FORWARD AT 30 JUNE 2007</b>	<u>183,228</u>	<u>38,151</u>	<u>221,379</u>	<u>198,471</u>

None of the Company's activities was acquired or discontinued during the year.  
All recognised surpluses and deficits are included in Total Funds.

**The notes on pages 7 to 10 form part of these financial statements**

**THE OLD JOHNIAN CHARITY LIMITED**  
**BALANCE SHEET AS AT 30 JUNE 2007**

	Notes	2007	2006
		£	£
<b>FIXED ASSETS</b>			
Investments	2	182,152	172,764
Investments – Foundationers’ Fund	2	<u>37,060</u>	<u>31,135</u>
		219,212	203,899
<b>CURRENT ASSETS</b>			
Debtors	3	60	611
Cash at banks		26,395	18,248
Cash at bank – Foundationers’ Fund		<u>1,061</u>	<u>896</u>
		27,516	19,755
<b>CREDITORS</b>			
Amounts falling due within one year	4	<u>166</u>	<u>-</u>
<b>NET CURRENT ASSETS</b>		<u>27,350</u>	<u>19,755</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		246,562	223,654
<b>CREDITORS</b>			
Amounts falling due after one year	5	<u>20,000</u>	<u>20,000</u>
<b>NET ASSETS</b>		<u>226,562</u>	<u>203,654</u>
<b>CAPITAL ACCOUNT</b>			
Balance at 1 July 2006 and at 30 June 2007		5,183	5,183
<b>RESERVES</b>			
Unrestricted funds	6 (a)	183,228	166,426
Restricted funds	6 (b)	<u>38,151</u>	<u>32,045</u>
<b>TOTAL FUNDS</b>		<u>226,562</u>	<u>203,654</u>

The Company is entitled to exemption from audit under Section 249A (1) of the Companies Act 1985 for the year ended 30 June 2007.

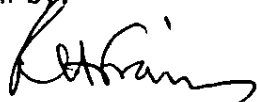
The members have not required the Company to obtain an audit of its financial statements for the year ended 30 June 2007 in accordance with Section 249B (2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- a) ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the Company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board on 30 November 2007 and signed on its behalf by:



R H Francis  
Director



N B Benger  
Director

**The notes on pages 7 to 10 form part of these financial statements**



# THE OLD JOHNIAN CHARITY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

### 1. STATEMENT OF ACCOUNTING POLICIES

#### a) Basis of Preparation

The financial statements are prepared under the Companies Act 1985 and the Financial Reporting Standards for Smaller Entities (effective January 2005), on the historical cost convention as modified by the adoption of current cost for investment assets and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: the Charities SORP 2005

#### b) Donations Received

Donations are accounted for when received

#### c) Investment Income

Investment income is accounted for on a received basis.

#### d) Fixed Assets – Investments

Listed equities are included in the accounts at their market value as at the balance sheet date. Realised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise

### 2. FIXED ASSETS – INVESTMENTS

Quoted investments	Unrestricted Fund	Restricted Fund	2007	2006
	£	£	£	£
Market value at 1 July 2006	172,764	31,135	203,899	180,570
Additions	-	3,753	3,753	6,587
Disposals	-	(3,525)	(3,525)	(3,170)
Net unrealised gains	<u>9,388</u>	<u>5,697</u>	<u>15,085</u>	<u>19,912</u>
Market value at 30 June 2007	<u>182,152</u>	<u>37,060</u>	<u>219,212</u>	<u>203,899</u>
Historical cost at 30 June 2007	<u>97,375</u>	<u>20,913</u>	<u>118,288</u>	<u>118,060</u>

**THE OLD JOHNIAN CHARITY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**  
**(continued)**

**2a. INVESTMENTS – UNRESTRICTED FUND**

Listed investments:	COST		MARKET VALUE	
	2007	2006	2007	2006
	£	£	£	£
1,012 Aviva Ord	3,422	3,422	7,524	7,747
933 Diageo Ord	2,247	2,247	9,675	8,486
664 Severn Trent Ord	2,658	3,376	9,183	11,665
1,227 Imperial Chemical Ind Ord	6,325	6,325	7,632	4,454
700 AstraZeneca Ord	5,075	5,075	18,781	22,848
861 Royal Dutch Shell "B" Shares	5,035	5,035	17,935	16,282
2,000 Murray International Trust Ord	4,929	4,929	12,290	11,240
1,340 Reed Elsevier Ord	5,378	5,378	8,663	7,316
2,433 Lloyds TSB Group Ord	5,302	5,302	13,527	12,931
£9,100 6 ¼% Treasury Stock 2010	10,250	10,250	9,284	9,680
£10,000 5% Treasury Stock 2008	10,246	10,246	10,113	10,196
600 Scottish & Southern Energy Ord	3,459	3,459	8,694	6,906
610 Land Securities Ord	4,930	4,930	10,632	10,943
700 HSBC Holdings Ord	5,064	5,064	6,405	6,661
900 Pearson Ord	4,891	4,891	7,587	6,629
2,550 City of London Investment Trust Ord	4,892	4,892	7,701	6,796
1,638 BBA Aviation Ord	5,056	5,967	4,468	5,153
1,340 Scottish & Newcastle Ord	6,587	6,587	8,583	6,831
997 Biffa Ord	718	-	2,707	-
487 Fiberweb Ord	911	-	768	-
	<u>97,375</u>	<u>97,375</u>	<u>182,152</u>	<u>172,764</u>

The listed investments are dealt with on a recognised stock exchange.

**2b. INVESTMENTS – RESTRICTED FUND**

Listed investments:	COST		MARKET VALUE	
	2007	2006	2007	2006
	£	£	£	£
8,146 Anglo & Overseas Ord	4,773	4,773	9,816	8,879
4,383 J P Morgan Asian Investment Trust Ord	4,544	4,544	7,714	5,545
549 Barclays Ord	2,990	2,990	3,821	3,374
2,250 Scottish Investment Trust Ord	4,853	4,853	11,430	9,647
2,250 Invesco Perpetual European Absolute Return Trust Ord	-	3,525	-	3,690
3,200 Resolution Asset Management Argonaut European Income Fund Units	<u>3,753</u>	<u>-</u>	<u>4,279</u>	<u>-</u>
	<u>20,913</u>	<u>20,685</u>	<u>37,060</u>	<u>31,135</u>

The listed investments are dealt with on a recognised stock exchange.

**THE OLD JOHNIAN CHARITY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**  
**(continued)**

**3. DEBTORS:**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Investment Manager (Smith & Williamson)	-	593
Bank interest	30	4
Bank interest – Foundationers’ Fund	2	-
Income tax recoverable – Foundationers’ Fund	<u>28</u>	<u>14</u>
	<u>60</u>	<u>611</u>

**4. CREDITORS:** amounts falling due within one year

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Investment Manager (Smith & Williamson)	<u>166</u>	<u>-</u>

**5. CREDITORS:** amounts falling due after one year

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Loan – Old Johnian Society	<u>20,000</u>	<u>20,000</u>

The long-term loan is fully repayable on demand but the lender does not consider this to be within one year. The loan is unsecured and not subject to interest

**THE OLD JOHNIAN CHARITY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**  
**(continued)**

**6. (a) UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 July 2006	Incoming funds	Amounts expended	Realised and unrealised investment gains	Balance at 30 June 2007
	£	£	£	£	£
Unrestricted Fund	<u>166,426</u>	<u>8,809</u>	<u>(1,395)</u>	<u>9,388</u>	<u>183,228</u>

**(b) RESTRICTED FUNDS: MOVEMENTS IN THE YEAR**

	Balance at 1 July 2006	Incoming funds	Amounts expended	Realised and unrealised investment gains	Balance at 30 June 2007
	£	£	£	£	£
Foundations' Fund	<u>32,045</u>	<u>759</u>	<u>(595)</u>	<u>5,942</u>	<u>38,151</u>

Restricted Funds relate to the Foundationers' Fund, a fund designated by the directors to be used at their discretion for the foundationers of St John's Foundation School, Leatherhead.

The Foundationers' Fund derives its income from donations, the largest of which were gifted in the wills of the late Cecil Philip Hewson in 1993 and the late Frederick Weatherly in 2005, dividends on the listed investments detailed in note 2b and interest on cash on deposit at bank.

**7. DIRECTORS' REMUNERATION**

None of the directors received any remuneration or reimbursed expenses during the year.