

**The Wavertree Charitable Trust**  
**Annual report**  
**for the year ended 31 December 2008**

Registered number: 5370950  
Registered Charity number: 1111771

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# Annual report for the year ended 31 December 2008

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# **The Wavertree Charitable Trust**

## **Trustees, directors, officers and advisors**

### **Trustees and directors**

Brian Chandler (date of appointment: 14<sup>th</sup> October 2005)  
Philip W Freedman (date of appointment: 6<sup>th</sup> December 2005)  
Richard H F Fuller (date of appointment: 6<sup>th</sup> December 2005)  
James Furlong (date of appointment: 14<sup>th</sup> October 2005)  
John Rose (date of appointment: 1<sup>st</sup> November 2008)  
Sir Neil Westbrook (date of appointment: 6<sup>th</sup> December 2005)

Professor W R Allen (date of resignation 20<sup>th</sup> May 2008)  
Lady Hilary Burnham (date of resignation 20<sup>th</sup> May 2008)  
Martin Goymour (date of resignation 20<sup>th</sup> May 2008)  
Arthur D G Oldrey (date of resignation 20<sup>th</sup> May 2008)  
Sir Eric Parker (date of resignation 20<sup>th</sup> May 2008)  
Christopher Spence (date of resignation 17<sup>th</sup> October 2008)

### **Secretary**

Lynn Clarke

### **Registered office**

The National Stud  
Newmarket  
Suffolk CB8 0XE

### **Registered auditors**

PricewaterhouseCoopers LLP  
Abacus House  
Castle Park  
Cambridge  
CB3 0AN

### **Solicitors**

Lawrence Graham LLP Solicitors  
190 Strand  
London  
WC2R 1JN

### **Bankers**

HSBC Bank PLC  
53 High Street  
Newmarket  
Suffolk  
CB8 8NF

Weatherbys Bank  
Sanders Road,  
Wellingborough  
Northamptonshire  
NN8 4BX

# **The Wavertree Charitable Trust**

## **Trustees' report for the year ended 31 December 2008**

The Trustees, who are also directors of the company for the purpose of the Companies Act, present their annual report and the audited financial statements for the year ended 31 December 2008.

The information with respect to trustees, directors, officers and advisors set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, applicable accounting standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 and the Charities Act 1993.

### **Status and administration**

The charity is a charitable company limited by guarantee, incorporated on 21<sup>st</sup> February 2005 (company registration number 5370950) as The Mill Reef Charitable Trust. On 18<sup>th</sup> May 2005 the charitable company changed its name to The Wavertree Charitable Trust and registered with the Charity Commissioners as a charity on 21<sup>st</sup> October 2005 (charity registration number 1111771). The Charity operates under Memorandum and Articles of Association adopted initially on 15<sup>th</sup> February 2005 and amended on 14<sup>th</sup> October 2008. The constitution provides for not less than five and no more than eight Trustees, and the nature of the Charity is one of grant making. The current Trustees of the Charity have a great deal of experience in Charity Trusteeship and administration. The Charity will, however, be running training courses commencing in the summer of 2009 to ensure that Trustees are kept abreast of the developments in the charitable field, and have a thorough understanding of their role as Trustees.

The Charity is a standalone organisation which has no directly employed staff. It has an annual service level agreement with the National Stud Limited (currently also its principal beneficiary) for the provision of support services. The Charity's principal funders to date have been the Horserace Betting Levy Board (in accordance with the terms of the transfer of the National Stud from the public sector to the Jockey Club on 17<sup>th</sup> April 2008); and an anonymous donation principally designed to support major capital projects necessary to sustain the provision of education and training facilities on the Stud. In addition to the foregoing, the Levy Board has committed to the provision (over a five year period) of an annual grant to support the revenue costs associated with the delivery of education and training for students involved in the thoroughbred breeding industry. The Trustees are committed to raising additional funds in furtherance of the Trust's charitable objectives and in order to ensure that the provision of education and training sustains beyond the guarantee period contained in the transfer terms. The Trustees are also exploring how they can extend support to a wider base of users.

### **Objects**

The primary objects of the charity, as stated in its governing document, are:

- (i) to advance the education and training of persons especially the young to prepare them for trades and occupations in the equine industry and, in particular the breeding of horses, and thereby advance them in life;
- (ii) to advance education through the provision of public access to the educational facilities offered by the National Stud Limited (or such other organisation providing similar educational facilities) including but not limited to a Visitors Education Centre where the public can learn about horse husbandry and in particular, the breeding of horses and to promote through education, humanity and morality among the public in the care and consideration of horses;
- (iii) to promote and encourage research into the breeding, use and management of thoroughbred and non-thoroughbred horses and facilitate the acquisition and distribution of such knowledge; and
- (iv) such other charitable purposes beneficial to the community consistent with and complementary to the objects above as the Trustees shall in their absolute discretion determine.

### **Achievement against objectives during the year**

On the 17<sup>th</sup> April 2008, the Jockey Club (in the form of National Stud Limited) became fully responsible for the operation of activities formerly undertaken by the National Stud. At that point, the

# **The Wavertree Charitable Trust**

future role of the Wavertree Charitable Trust was also clarified (through the medium of the Transfer Agreement) in terms of its ongoing relationship with National Stud Limited. While National Stud Limited continues to provide Education and Training services (as required under the Transfer Agreement) for the benefit of the thoroughbred breeding industry, the Trust will support that process through the application of grant monies received from the Horserace Betting Levy Board (from 2009 onwards) and through consideration of applications from National Stud Limited for revenue and/or capital grant support.

During the course of 2008, the Trust received and considered (in the context of its charitable objectives and of its Business Plan) three grant applications. These were for:

Financial assistance (£7,092) towards the upkeep of the training facilities at the National Stud, and particularly the windows in the student hostel; and for work involved in effecting the transfer of the National Stud to the Jockey Club, in order to protect the interests of the Trust in that connection;

Revenue support (£259,094) for National Stud Limited's 2008 Education and Training programme, wholly in accordance with the Trust's charitable objectives, in order that the Diploma and Apprentice courses could be sustained during that academic year; together with specific support for the provision of portakabins to provide student accommodation in keeping with the requirements of the Children's Acts; and financial support towards the ongoing provision of education services to the wider general public in the form of tours of the Stud and associated educational material; and

Capital support (£440,000) for the provision of substantially upgraded teaching facilities at the National Stud, the cost of which will be incurred largely in 2009.

The Directors of the Trust are satisfied that the outcomes either achieved or projected as part of the above applications sit well with the Trust's first two objectives. The programme of outcome review which the Trust has set in train in conjunction with the Jockey Club will seek to ensure value for money (on the part of the service provider) in the achievement of those objectives. This programme has at its centre meetings of a Training Review Group (comprising mainly the users of education and training services together with a representative of the Trust) established by National Stud Limited to ensure that user/industry needs are met and to report on the outcomes of the training programmes.

The resources received by the Charity in 2008 amounted to £1,146,965.

## **Review of activities**

The statement of financial activities for the year is set out on page 9 of the financial statements.

## **Income generation**

The charity's donations and gifts in kind for the year were £1,146,965 (2007: £17,700) and comprised: £1,142,921 from the Horserace Betting Levy Board as part of the transfer/grant process £3,600 from other charitable organisations and £444 from other organisations.

## **Investment powers, policy and performance**

Investment powers are governed by the Trustees of the charity. The charity currently holds only cash and short-term investments of no more than six months. The directors consider the rate of return received on these balances in the year to be acceptable given the level of funds held. In the light of recent developments in the financial markets, the Trustees continue to monitor the Trust's investment arrangements with a view to obtaining a sound return on its investments whilst limiting its exposure to any one financial institution.

## **Asset cover for funds**

Note 9 to the financial statements sets out an analysis of the assets attributable to the unrestricted fund.

## **Reserves**

The Charity holds reserves in order to ensure that commitments agreed as part of the terms of the transfer of the National Stud from the public sector to the Jockey Club are met; and to respond to the

## **The Wavertree Charitable Trust**

wishes of the anonymous donor. When the Trust was in its embryonic state in 2005, donations were sought to support the maintenance and development of the National Stud's education and training programmes and facilities: a number of donations were either promised and/or received, including the anonymous donation of £1m. A significant proportion of the latter has since been earmarked for the development of the National Stud Limited's new Lecture Hall facilities (in 2009). It is the wish of the donor that the balance of the monies should be deployed on other capital projects at the Stud, and there is correspondence supporting that wish dated 2007. A prior year adjustment has therefore been effected to transfer the relevant funds from unrestricted to restricted reserves in 2007. The Trustees also wish to ensure that the provision of education and training services to the thoroughbred breeding industry will sustain over the longer term, and that there are sufficient resources to administer the Charity, which will require careful management and allocation of existing resources over the next four years (as reflected in the Charity's Business Plan). The targets for reserves are reviewed annually as part of the process of Business Plan review.

With regard to the current position on reserves, restricted funds earned during the year amount to £1,142,921; all other reserves are unrestricted. During the year £292,966 was expended from restricted funds. The directors' policy on reserves is to expend its free reserves on its charitable objects.

### **Guarantors**

The company, which has no share capital, is limited by guarantee. In the event of the company being wound up, the liability of each guarantor is limited to £1. The guarantors of the company are set out below:

Brian Chandler  
Philip W Freedman  
Richard H F Fuller  
James Furlong  
Sir Neil Westbrook  
John Rose

### **Governance of the charity**

The board of Trustees, which can consist of at least five and not more than eight individuals, administers the charity. During the year under review the directors met on two occasions.

In every notice for an annual general meeting, the Board shall set out its requirements for the skills, qualities and experience which it needs from its Trustees. The notice shall state the extent to which those requirements are met by those Trustees continuing in office and those retiring and intending to re-offer themselves for election. In the event of any vacancies on the Board, that part of the notice shall be published. At the first annual general meeting after the Company had commenced its activities all Trustees retired but were eligible for reappointment without requirement for nomination. Trustees will serve a five year term of office, at the end of which they must resign, but will be eligible for immediate reappointment. The directors meet a minimum of twice in each calendar year. This includes a separately scheduled agenda to review the strategy and performance and to set operating plans and budgets.

In exercising their powers to nominate, appoint, reappoint, elect, re-elect, approve and dismiss Trustees, both the Members and Trustees shall seek to ensure that the Board is representative of those with an interest in the services and facilities offered by the Charity and also comprises persons with a broad range of skills and who are likely to contribute to the Charity's success.

The directors who served during the year to 31 December 2008 are listed on page 1, together with dates of appointment or resignation.

# The Wavertree Charitable Trust

## Risk management

In the light of Corporate Governance guidance contained within the Charities Statement of Recommended Practice issued in March 2005, the directors are conducting their own review of the major strategic, business and operational risks to which the Charity is exposed. Systems will then be established to mitigate those risks and procedures are being implemented to minimise any potential impact on the charity should any of those risks materialise. The Trustees have arranged third party indemnity insurance cover in the context of managing and containing risk.

## Financial risk management:

The charity's operations expose it to a limited number of risks that include the effects of interest rate risk and liquidity risk.

(i) Interest rate risk- All cash and short term deposits are held in sterling. The weighted average interest rate of short term deposits held at the year end is 1.74%.

(ii) Liquidity risk- The Trustees monitor the level of cash and liquid resources on a regular basis to ensure that the Charity has sufficient liquid funds to enable it to continue as a going concern. This is achieved by review of current investments at Trustee meetings.

## Statement of trustees' responsibilities in respect of the Annual Report and the financial statements

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 trustees 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, in which case there should be supporting assumptions or qualifications as necessary.

The trustees confirm that they have complied with the above requirements in preparing the financial statements. The trustees are responsible for keeping proper accounting records that 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.

## Provision of information to auditors

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

## Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

  
By order of the board  
Company secretary

# **The Wavertree Charitable Trust**

## **Independent Auditors' Report to the Members of The Wavertree Charitable Trust**

We have audited the financial statements of The Wavertree Charitable Trust for the year ended 31 December 2008 which comprise the Statement of Financial Activities (including income and expenditure), the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of trustees and auditors**

The responsibilities of the trustees (who are also the directors of The Wavertree Charitable Trust for the purposes of company law) for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the charitable company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 trustees' remuneration and other transactions is not disclosed.

We read other information contained in the financial statements, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report and the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees 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.



# The Wavertree Charitable Trust

## Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2008 and of its incoming resources and application of resources, including its income and expenditure and cash flows, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

  
PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Cambridge  
6 August 2009

# The Wavertree Charitable Trust

## Statement of financial activities for the year ended 31 December 2008 (including income and expenditure)

	Notes	Unrestricted funds £	Restricted funds £	Total 2008 £	2007 £
<b>Incoming resources</b>					
Voluntary income:					
Donations and gifts in kind	2	4,044	1,142,921	1,146,965	17,700
Investment income	3	785	53,213	53,998	56,247
<b>Total incoming resources</b>		<b>4,829</b>	<b>1,196,134</b>	<b>1,200,963</b>	<b>73,947</b>
<b>Resources expended:</b>					
Charitable activities		(7,091)	(292,966)	(300,057)	(13,860)
Costs of generating funds		-	-	-	(33,184)
Governance costs		(11,024)	-	(11,024)	(4,408)
<b>Total resources expended</b>		<b>(18,115)</b>	<b>(292,966)</b>	<b>(311,081)</b>	<b>(51,452)</b>
<b>Net income for the year</b>		<b>(13,286)</b>	<b>903,168</b>	<b>889,882</b>	<b>22,495</b>
<b>Total funds brought forward as previously reported</b>					
	8	1,057,624	1,200	1,058,824	1,036,329
<b>Prior year adjustment</b>	8	<b>(1,004,087)</b>	<b>1,004,087</b>	<b>-</b>	<b>-</b>
<b>Total funds brought forward (restated*)</b>	8	<b>53,537</b>	<b>1,005,287</b>	<b>1,058,824</b>	<b>1,036,329</b>
<b>Total funds carried forward</b>	8	<b>40,251</b>	<b>1,908,455</b>	<b>1,948,706</b>	<b>1,058,824</b>

All activities are continuing.

There is no difference between the results as shown above and their historical cost equivalents.

The company has no recognised gains and losses other than the results above, and therefore no separate statement of total recognised gains and losses has been presented.

\* The prior year adjustment relates to the re-designation of the anonymous donation from unrestricted funds to restricted funds. See note 8.

# The Wavertree Charitable Trust

## Balance sheet as at 31 December 2008

	Notes	2008 £	2007 As restated* £
<b>Current assets</b>			
Short term investments	12	220,268	1,031,930
Cash at bank and in hand		1,985,601	8,119
Debtors	13	-	22,025
		2,205,869	1,062,074
<b>Creditors: amounts falling due within one year</b>	7	<b>(257,163)</b>	<b>(3,250)</b>
<b>Net current assets</b>		<b>1,948,706</b>	<b>1,058,824</b>
<b>Total assets less current liabilities</b>		<b>1,948,706</b>	<b>1,058,824</b>
<b>Net assets</b>		<b>1,948,706</b>	<b>1,058,824</b>
<b>Funds:</b>			
Unrestricted funds	8,9	40,251	53,537
Restricted funds	8,9	1,908,455	1,005,287
<b>Total charity funds</b>	8	<b>1,948,706</b>	<b>1,058,824</b>

The financial statements on pages 8 to 15 were approved by the board of directors on 21 July 2009



Chairman: Brian Chandler

# The Wavertree Charitable Trust

## Cash flow statement for the year ended 31 December 2008

	Notes	2008 £	2007 £
<b>Net cash inflow/(outflow) from operating activities</b>	10	<b>1,090,297</b>	<b>(36,502)</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		75,523	49,633
<b>Net cash flow before management of liquid resources and financing</b>		<b>1,165,820</b>	<b>13,131</b>
<b>Management of liquid resources</b>			
Decrease/(increase) in short term investments	11	811,662	(29,855)
<b>Increase/(decrease) in cash in the year</b>	11	<b>1,977,482</b>	<b>(16,724)</b>

# **The Wavertree Charitable Trust**

## **Notes to the financial statements for the year ended 31 December 2008**

### **1 Principal accounting policies**

The financial statements have also been prepared in accordance with the Statement of Recommended Practice- Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are set out below.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention. The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

#### **Going concern**

The financial statements have been prepared on a going concern basis which assumes that the Charity will continue in operational existence for the foreseeable future. The Directors have considered the funding requirements of the Charity for at least the next 12 months and consider it appropriate to prepare the financial statements on a going concern basis.

#### **Prior year adjustment**

Following the publication of the financial statements for the year ended 31 December 2007, the Trustees identified that an indication had been given for the balance of the anonymous donation to be spent on capital projects. This indication was given in December 2007. A prior year adjustment has therefore been posted to re-designate £1,004,087 from brought forward unrestricted funds to brought forward restricted funds. This adjustment has no effect on the total funds brought forward but has affected the brought forward balances of the general and restricted reserves individually. See Note 8.

#### **Donations and gifts in kind**

Donations are credited to revenue on a receivable basis. Gifts in kind are valued at a reasonable estimate of their value to the charity.

#### **Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

#### **Governance costs**

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

#### **Irrecoverable VAT**

Any irrecoverable VAT is charged to the statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate.

#### **Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

# The Wavertree Charitable Trust

## Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are restricted to specific expenditure as specified by the donor. See Note 9.

## 2 Donations and gifts in kind

	2008	2007
	£	£
Donations:		
Charitable organisations	3,600	7,200
Others	1,143,365	10,500
	<b>1,146,965</b>	<b>17,700</b>

Donations from Charitable organisations were made by: Carpenters' Company, Coutts Charitable Trust, and the Suffolk Masters Lodge.

Other donations were made by Pony Club, Mr. Bodie and the Horserace Betting Levy Board. The donation from the Horserace Betting Levy Board amounted to £1,142,921.

## 3 Investment income

All of the Trust's investment income arises from interest from short term investments.

## 4 Net incoming resources

	2008	2007
	£	£
Net incoming resources is stated after charging:		
Auditors' remuneration for:		
Audit services	5,175	3,250
Trustee Indemnity Insurance	694	-

## 5 Employee information

The charity has had no employees during the year. Operational duties are fulfilled through director participation.

No director received expenses from the charity during the year.

# The Wavertree Charitable Trust

## 6 Taxation

The charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The charity is not registered for VAT and accordingly, all expenditure is recorded inclusive of any VAT incurred.

## 7 Creditors: amounts falling due within one year

	2008 £	2007 £
Accruals and deferred income	257,163	3,250

Deferred income to 31 December 2008 includes £227,000 received from the Horserace Betting Levy Board in December 2008, which relates to the 2009 training and education programmes for National Stud Limited.

## 8 Analysis of charitable funds

	31 December 2007- as previously stated £	Prior year adjustment £	31 December 2007- as restated £	Incoming resources £	Resources Expended £	31 December 2008 £
<b>Analysis of unrestricted fund movements</b>						
Unrestricted funds	1,057,624	(1,004,087)	53,537	4,829	(18,115)	40,251
<b>Analysis of restricted fund movements</b>						
Ernest Cook Charitable Trust	1,200	-	1,200	52	-	1,252
Anonymous Donation	-	1,004,087	1,004,087	44,945	(33,827)	1,015,205
Horserace Betting Levy Board	-	-	-	1,151,137	(259,139)	891,998
<b>Total restricted funds</b>	1,200	1,004,087	1,005,287	1,196,134	(292,966)	1,908,455
<b>Total funds</b>	1,058,824	-	1,058,824	1,200,963	(311,081)	1,948,706

The prior year adjustment relates to the re-designation of the anonymous donation from unrestricted funds to restricted funds.

# The Wavertree Charitable Trust

## 9 Analysis of the net assets between funds

With the exception of £40,251, all funds are held as restricted funds. These total £1,908,455 and are restricted as follows; £891,998 for furtherance of education and training on the National Stud Limited, the net outcome from the contribution made by the Horserace Betting Levy Board as part of the terms of transfer from the public sector to the Jockey Club, and the annual grant for the provision of education and training; £1,015,205 from an anonymous donation for capital projects in respect of education and training on the National Stud and £1,252 for use on improvements to the accommodation for students on the National Stud, the result of an application to the Ernest Cook Charitable Trust. Unrestricted funds are accumulated interest, net of agreed disbursements during the course of the year.

## 10 Reconciliation of net incoming resources to net cash inflow from operating activities

	2008 £	2007 £
<b>Continuing activities</b>		
Net incoming resources for the year	889,882	22,495
Interest received	(53,998)	(56,247)
Decrease/(increase) in debtors	500	(500)
Increase/(decrease) in creditors	253,913	(2,250)
Net cash inflow/(outflow) from operating activities	1,090,297	(36,502)

## 11 Analysis of changes in net funds during the year

	At 31 December 2007 £	Cash flow £	At 31 December 2008 £
Short term investments	1,031,930	(811,662)	220,268
Cash at bank and in hand	8,119	1,977,482	1,985,601
<b>Net funds</b>	<b>1,040,049</b>	<b>1,165,820</b>	<b>2,205,869</b>

## 12 Short term investments

Short term investments comprise fixed rate deposits with banks which are not repayable on demand. At 31<sup>st</sup> December 2008, the charity had short term investments of £220,268 (2007: £1,031,930).

## 13 Debtors

	2008 £	2007 £
Other debtors	-	22,025



# The Wavertree Charitable Trust

## 14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Short term investments	-	220,268	<b>220,268</b>
Cash at bank and in hand	45,426	1,940,175	<b>1,985,601</b>
Other net current assets	(5,175)	(251,988)	<b>(257,163)</b>
	<b>40,251</b>	<b>1,908,455</b>	<b>1,948,706</b>

## 15 Capital

The Charity is a company limited by guarantee. Each member has undertaken to contribute £1 to the assets of the company to meet its liabilities if called on to do so. The total amount guaranteed by members at 31 December 2008 is £6.

## 16 Related parties

During the year, the National Stud Limited undertakes, for a fee, substantially all of the administration of the Trust. Where specific incremental external costs are incurred by the National Stud Limited in connection with the Trust, these are recharged at cost. The cost of administration services in 2008 provided by the National Stud Limited was £3,400.