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POLDEN PUCKHAM CHARITABLE FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2004

POLDEN PUCKHAM CHARITABLE FOUNDATION

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FOR YEAR ENDED 5 APRIL 2004**

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POLDEN PUCKHAM CHARITABLE FOUNDATION

**LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 5 APRIL 2004**

SYNOPSIS OF TRUST DEED

Date of Trust Deed	8 May 1991
Trustees	Harriet Jane Gillett Jenepher Gordon Carol Freeman Heather Swailes (retired April 2004) Linda Batten Anthony Wilson (retired November 2003) David Gillett (deceased January 2004)
Main provisions	Capital and income to be paid or applied for charitable purposes and institutions at the Trustees' absolute discretion.
Appointed period	Perpetual
Powers of investment	Very wide including quoted and unquoted securities.

SECRETARY TO THE TRUST

Jagdish Patel
81 Bisley Road
Stroud
Gloucestershire GL5 1HF

CORRESPONDENCE ADDRESS

BM PPCF
London WC1N 3XX

INVESTMENT MANAGERS

Gerrard
Stockbrokers
Temple Court, 35 Bull Street
Birmingham B4 6ES

BANKERS

Triodos Bank NV
Brunel House
11 The Promenade
Bristol, BS8 3NN

AUDITORS

Slater Johnstone
Chartered Accountants
3 Temple Row West
Birmingham B2 5NY

REGISTERED CHARITY NUMBER

1003024

POLDEN PUCKHAM CHARITABLE FOUNDATION

TRUSTEES REPORT FOR THE YEAR ENDED 5 APRIL 2004

This is the report and financial statements of the Foundation for the year ended 5 April 2004. The financial statements have been prepared in accordance with the accounting policies set out by way of introduction to them.

Constitution and Objects

The Polden Puckham Charitable Foundation is constituted under a trust deed dated 8 May 1991. The objects of the Foundation are to make grants for general charitable purposes at the discretion of the trustees. A policy has been implemented that reflects the interests of the settlors but has also evolved to meet new concerns.

Organisation

Meetings of trustees take place twice a year in spring and autumn when policy decisions are made, administrative arrangements reviewed and decisions made on grant applications. Authority is delegated to small committees of trustees representing the main fields of activity so that decisions on some smaller grants are made between meetings. The Secretary, Jagdish Patel, administers the Foundation.

Trustees

Anthony Wilson, retired as a trustee in November 2003 and Heather Swailes retired on 24 April 2004. They were both highly experienced in the trust world and made important contributions to Polden Puckham's grant making and governance.

David Gillett, Chair of the Trustees up to November 2003, died in January 2004 after a cycle accident in Hereford. He made a huge contribution in terms of providing the vision and inspiration for establishing Polden Puckham as a radical grant making trust. He has left us with a powerful legacy which we will endeavour to the best of our abilities to follow. First Rachael Fruchter, also a trustee and now David have tragically died in a cycle accident involving a motor vehicle. This reflects the great dangers of trying to live a more sustainable lifestyle in the age of the motor car. It is this sort of issue along with others which Polden Puckham will address with renewed vigour.

Grant-making Policy

The Foundation invites applications for funding from organisations working in the fields of peace and security, ecological issues and a third 'other' category that includes human rights. Projects are funded from one to three years. Information is requested on how projects are to be monitored and evaluated.

Our Underlying Approach

The Foundation aims to support projects that change values and attitudes, that promote equity and social justice, and that develop radical alternatives to current economic and social structures. It gives particular consideration to small pioneering headquarters organisations.

Peace and Security

The Foundation supports organisations that are developing ways of resolving international and internal conflicts peacefully, and removing causes of conflict.

Ecological Sustainability

The Foundation aims to address the causes of global ecological damage rather than its symptoms. It particularly supports organisations which are tackling the underlying pressures leading to environmental damage. Fundamental to this approach is the realisation that in order to meet targets for containing global warming, as well as minimise other environmental problems, we in the developed countries have to alter our way of living to live more sustainably.

Other Issues

The Foundation also supports human rights and women's issues where a project seeks policy changes and is also related to peace and ecological issues. The Foundation has a long-standing link with the Society of Friends and has supported the work of Quaker groups.

Exclusions

The Foundation does not give grants to individuals; travel bursaries (including overseas placements and expeditions); study; academic research; capital projects (e.g. building projects or purchase of nature reserves); community or local projects (except innovative projects for widespread application); international agencies/overseas appeals and general appeals.

POLDEN PUCKHAM CHARITABLE FOUNDATION

TRUSTEES REPORT (continued) FOR THE YEAR ENDED 5 APRIL 2004

Investment Policy

The investment powers of the trustees are very wide. Gerrard Ltd manages the Foundation's portfolio. The Foundation's investment committee meet with the portfolio manager twice a year to discuss investment matters. All companies are screened by the Ethical Investment Research Services in order to avoid investments that are in conflict with our grant-making policy or that are regarded by the trustees as being socially irresponsible. For example we do not invest in armaments companies and tobacco companies and attempt to avoid companies with a poor environmental record. In a small way a start has been made at entering into dialogue with companies in our portfolio to express the concerns of trustees directly to them. The Foundation has a policy of top-slicing its capital in order to increase its total expenditure by around 4% per year. It keeps this policy under continual review.

Financial activity during the year

Key Statistics:

	£
Total expenditure	323,669
Investment and other income	332,926
Investment management and advice	12,914
Support and administration	39,447
Grants	271,308
Average grant size	5,320
Grants breakdown:	
Peace and security issues (25 grants)	150,800
Ecological issues (17 grants)	80,808
Other (9 grants)	39,700

A sum of £95,096, being a part repayment (plus appreciation) of a loan made by A N Gillett in 1991, was made to the Marmot Trust, a charitable trust held at the Charities Aid Foundation.

Risk Management

The trustees have taken the necessary steps to spread investment risk. The trustees have reviewed the holding in C & J Clark Limited which represents a large proportion of the total investments. The trustees have a duty to look after the foundation's investments as they would their own and given that the trustees who personally own shares in C & J Clark Limited are not moving their shares elsewhere, the trustees feel that maintaining the high investment in the shares is appropriate. However the lower value of the investment portfolio resulting from the general decline in share values in recent years and from a heavy investment in high-tech stocks led the trustees to reduce the expenditure on grants. Each grant was carefully considered but the trustees are of the opinion that effective grant making necessarily involves taking risks.

Reserves Policy

Since the Foundation is not an operational one it does not need to have great continuous liquidity of reserves. The trustees consider that a small amount of cash in hand is sufficient and that capital may be realised at any time to meet any additional requirements.

Future Plans

The Foundation plans to continue its grant-making policy and to place more emphasis on evaluation of projects. It is continually updating its administration systems with greater use of the internet and computer database.

Jenepher Gordon

Chair
on behalf of the trustees



12 November 2004

POLDEN PUCKHAM CHARITABLE FOUNDATION

**STATEMENT OF TRUSTEES RESPONSIBILITIES
FOR THE YEAR ENDED 5 APRIL 2004**

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 financial statements giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards subject to any material departures disclosed and explained in the accounts;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume the Charity will continue in operation;

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 1993. 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.

POLDEN PUCKHAM CHARITABLE FOUNDATION

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES

We have audited the financial statements of Polden Puckham Charitable Foundation for the year ended 5 April 2004 on pages 6 to 16 which have been prepared under the historical cost convention as modified by the revaluation of certain investments and the accounting policies set out therein.

This report is made solely to the charity's trustees. Our audit work has been undertaken so that we might state to the 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 trustees, for our audit work, for this report, or for opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the trustees' report concerning major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the trustees' report and consider whether it is consistent with the audited financial statements. 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 opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 5 April 2004 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

Slater Johnstone
Chartered Accountants
Registered Auditors
3 Temple Row West
Birmingham
B2 5NY

Dated:

POLDEN PUCKHAM CHARITABLE FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2004**

	Notes	Unrestricted Funds		Total 2004	Total 2003
		General	Investment		
		£	£	£	£
INCOMING RESOURCES					
Investment income	9	317,903	-	317,903	361,783
Bank and other interest		8,343	-	8,343	14,187
Donations		6,680	-	6,680	-
TOTAL INCOMING RESOURCES		332,926	-	332,926	375,970
RESOURCES EXPENDED					
Costs of generating funds	10	12,914	-	12,914	13,903
Charitable expenditure					
Grants	11	271,308	-	271,308	289,345
Support costs	12	34,793	-	34,793	26,206
Administration	13	4,654	-	4,654	3,939
TOTAL RESOURCES EXPENDED		323,669	-	323,669	333,393
NET RESOURCES EXPENDED		9,257	-	9,257	42,577
Transfers between funds		-	-	-	-
NET INCOMING RESOURCES FOR THE YEAR		9,257	-	9,257	42,577
OTHER RECOGNISED GAINS/(LOSSES)					
Realised gains on disposal of investments	3	-	331,520	331,520	81,284
Unrealised gain (loss) on revaluation of investments	3	-	1,866,831	1,866,831	(1,488,651)
Loan recognition	8	-	-	-	(285,288)
NET MOVEMENT IN FUNDS		9,257	2,198,351	2,207,608	(1,650,078)
FUND BALANCES BROUGHT FORWARD		42,577	8,176,247	8,218,824	9,868,902
FUND BALANCES CARRIED FORWARD		£51,834	£10,374,598	£10,426,432	£8,218,824

POLDEN PUCKHAM CHARITABLE FOUNDATION

**BALANCE SHEET
5 APRIL 2004**

		<u>2004</u>		<u>2003</u>	
	Notes	£	£	£	£
INVESTMENTS:					
At market value	3		10,252,328		8,022,812
REVERSIONARY INTERESTS:					
Avalon Leatherboard 1909 Trust	2		1		1
LOAN:					
Aston Reinvestment Trust	4		80,000		80,000
			<u>10,332,329</u>		<u>8,102,813</u>
CURRENT ASSETS:					
Cash at bank on deposit		36,149		96,610	
Short term deposit	5	144,025		188,103	
Debtors	6	18,860		23,765	
			<u>199,034</u>	<u>308,478</u>	
CREDITORS: Amounts falling due within one year	7	104,931		97,371	
			<u>94,103</u>	<u>211,107</u>	
NET CURRENT ASSETS					
NET ASSETS LESS CURRENT LIABILITIES			10,426,432		8,313,920
CREDITORS: Amounts falling due after more than one year	8		-		95,096
NET ASSETS			<u>£10,426,432</u>		<u>£8,218,824</u>
FUNDS:					
General fund	17		51,834		42,577
Investment fund			10,374,598		8,176,247
			<u>£10,426,432</u>		<u>£8,218,824</u>

Approved by the Trustees on 12 November 2004

M. B. Gullett)
Christopher Gordon)
) Trustees
)

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

1. ACCOUNTING POLICIES

Accounting basis and standards

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. They have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000, SORP Update Bulletin 1 issued in December 2002, applicable accounting standards and the Charities Act 1993.

Incoming resources

Investment income and interest is shown gross to include income tax recovered and recoverable and is accounted for when the income falls due for payment. Other income is included when the Charity becomes entitled to receive it.

Outgoing resources

Resources expended are included on the accruals basis, inclusive of any value added tax which cannot be recovered. Grants are accounted for in the year allocated for payment by the Trustees. Grants authorised for payment in future years are recorded by way of note to the financial statements.

Taxation

The Charity is exempt from taxation on income and gains on investments.

Fixed assets

Office equipment consisting mainly of computer equipment has been written off in the year when acquired in view of the small amounts involved and the insignificant residual values.

2. REVERSIONARY INTERESTS

Avalon Leatherboard 1909 Trust

The Trustees have been advised of a reversionary interest in the Avalon Leatherboard 1909 Trust. This interest is recognised in the accounts at a nominal value of £1.

3. INVESTMENTS

	2004 £	2003 £
Listed investments		
Market value at 5 April 2003	4,809,869	6,287,184
Additions	988,763	1,209,513
Disposals	(957,599)	(805,689)
Realised profit on sale	331,520	2,236
Unrealised profit (loss) on revaluation	901,673	(1,883,375)
	<hr/>	<hr/>
Market value at 5 April 2004	6,074,226	4,809,869
	<hr/>	<hr/>
Unlisted investments		
Market value at 5 April 2003	3,212,943	2,808,436
Additions	-	20,055
Disposals	-	(89,320)
Realised profit on sale	-	79,048
Unrealised gain on revaluation	965,159	394,724
	<hr/>	<hr/>
Market value at 5 April 2004	4,178,102	3,212,943
	<hr/>	<hr/>

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

3. INVESTMENTS (continued)

Investments held at 5 April 2004

		Cost £	Market Value £
Listed			
28,300	Abacus Group GBP0.05 ordinary shares	48,902	86,315
40,000	Abbey National GBP0.10 ordinary shares	446,590	182,600
8,000	Alliance Unichem GBP0.10 ordinary shares	30,742	48,000
20,000	Anglo Irish Bank Euro.32 ordinary shares	108,949	176,922
21,000	Arm Holdings GBP0.0005 ordinary shares	176,250	26,093
18,000	Autonomy Corporation GBX0.333333 ordinary shares	125,056	48,060
77,000	BG Group GBP0.10 ordinary shares	220,371	263,340
96,000	BP USD0.25 ordinary shares	540,481	458,880
2,300	Bookham Technology GBP0.33333 ordinary shares	100,867	2,915
39,100	Cable & Wireless GBP0.25 ordinary shares	97,688	51,514
27,000	Cadbury Schweppes GBP0.125 ordinary shares	45,508	118,395
83,500	Capita Group GBP0.02 ordinary shares	97,516	256,345
32,500	Centrica GBX5.555555 ordinary shares	72,795	75,238
18,700	Compass Group GBP0.10 ordinary shares	80,213	66,151
26,666	Eidos Group GBP0.02 ordinary shares	156,162	42,532
55,000	Firstgroup GBP0.05 ordinary shares	112,034	142,450
11,627	Galen Holdings GBP0.10 ordinary shares	56,248	98,597
31,500	GlaxoSmithkline GBP0.25 ordinary shares	542,947	337,050
8,000	GUS GBP0.25 ordinary shares	51,013	60,360
138,666	Halma GBP0.10 ordinary shares	88,379	204,532
12,000	H I T Entertainment GBP0.02 ordinary shares	43,010	38,280
37,800	HBOS GBP0.25 ordinary stock	293,561	279,909
8,000	HSBC Holdings USD0.50 (UK Reg)	68,172	65,840
7,000	Intermediate Capital GBP0.20 ordinary shares	49,933	85,750
5,000	Kingston Comm. GBP0.10 ordinary shares	50,790	3,213
4,100	ITV GBP0.10 conv. ordinary shares	1,150	3,137
62,016	ITV GBP0.10 ordinary shares	53,252	80,931
8,000	Jardine Lloyd Thom. GBP0.05 ordinary shares	43,414	41,360
9,000	Johnson Matthey GBP1 ordinary shares	84,151	79,605
8,000	Land Securities Group GBP0.10 ordinary shares	61,058	88,880
117,800	Legal & General Group GBP0.025 ordinary shares	107,855	114,561
10,000	Manchester United GBP0.10 ordinary shares	11,090	24,550
25,000	Marks & Spencer Group GBP0.25 ordinary shares	76,532	70,750
3,588	Mitchells & Butlers GBP0.070833 ordinary shares	11,158	9,230
60,000	ML Laboratories GBP0.01 ordinary shares	100,857	12,150
30,000	Northern Foods GBP0.25 ordinary shares	49,955	48,150
20,000	Northern Rock GBP0.25 ordinary shares	120,667	153,900
60,000	NSB Retail Systems GBP0.02 ordinary shares	54,700	15,450
870	Opticom AS NOK0.15 (Norway)	165,527	5,981
4,400	Parry People Mover GBP1 ordinary shares	21,600	8,140
15,000	Persimmon GBP0.10 ordinary shares	65,117	106,050
10,000	Provident Financial GBX10.363636 ordinary shares	72,989	75,150
25,000	Prudential GBP0.05 ordinary shares	88,577	117,625
9,000	Reed Elsevier GBP0.125 ordinary shares	43,428	44,010
8,866	Reuters Group GBP0.25 ordinary shares	16,906	36,173
18,500	Royal Bank of Scotland Group GBP0.25 ordinary shares	162,796	310,985
16,700	Scot & Southern En GBP0.50 ordinary shares	110,400	113,393
12,000	Severn Trent GBX65.263157 ordinary shares	76,270	93,180
10,000	Shire Pharma Group GBP0.05 ordinary shares	98,691	53,150
9,000	Smith & Nephew GBP0.1222 ordinary shares	31,744	50,850
	Forward	5,434,061	4,976,622

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

3. INVESTMENTS (continued)

Investments held at 5 April 2004 (continued)

Listed (continued)		Cost	Market Value
	Forward	5,434,061	4,976,622
10,000	Springboard GBP0.10 ordinary shares	39,504	11,700
66,000	Tesco GBP0.05 ordinary shares	124,925	163,350
10,000	Trinity Mirror GBP0.10 ordinary	38,101	58,400
12,000	United Utilities GBP1 ordinary shares	62,956	62,460
6,666	United Utilities GBP0.50 A ordinary shares	20,570	21,265
4,000	Vestas Wind Systems DKK1 (Denmark)	110,963	35,185
375,000	Vodafone Group US\$0.10 ordinary shares	256,884	495,938
12,500	Whitbread GBP0.50 ordinary shares	91,363	92,250
13,500	Wolseley GBP0.25 ordinary shares	20,611	114,751
7,300	WPP Group GBP0.10 ordinary shares	50,048	42,305
		<hr/>	<hr/>
		6,249,986	6,074,226
		<hr/>	<hr/>
		£	£
Unlisted			
20,000	Aston Reinvestment Trust (ART) share account	20,000	20,000
689,316	C & J Clark Limited £1 ordinary shares	160,921	4,135,896
10,000	The Ethical Property Company	20,055	20,055
9,000	Higher Nature Plc GBP0.01 ordinary and deferred shares	19,800	2,151
		<hr/>	<hr/>
		220,776	4,178,102
		<hr/>	<hr/>
	Total	£6,470,762	£10,252,328
		<hr/>	<hr/>

The investment in ART share account is liquid and can be withdrawn at 90 days notice. The shares in C & J Clark Limited have been valued based on a valuation prepared for the company by PriceWaterhouseCoopers on 6 May 2004. The market value for the shares in Higher Nature Plc is based on a valuation prepared by the company's auditors on 17 November 2003. There is no current market value for the shares in The Ethical Property Company.

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

3. INVESTMENTS (continued)

Investments acquired during the year

		Cost £
Listed		
12,000	Abbey National GBP0.10 ordinary shares	64,797
20,000	Anglo Irish Bank Euro.32	108,949
7,000	BG Group GBP0.10 ordinary shares	19,502
11,000	BP USDO.25 ordinary shares	47,712
1,700	GlaxoSmithkline GBP0.25 ordinary shares	20,514
8,000	GUS GBP0.25 ordinary shares	51,013
8,000	HSBC Holdings USDO.50 ordinary shares	68,172
10,800	HBOS GBP0.25 ordinary shares	82,693
1,076	Intermediate Capital Group GBP0.20 ordinary shares	9,845
8,000	Jardine Lloyd Thompson Group GBP0.05 ordinary shares	43,414
9,000	Johnson Matthey GBP1 ordinary shares	84,151
50,000	Legal & General Group GBP0.025 ordinary shares	38,076
3,000	Northern Rock GBP0.25 ordinary shares	20,692
25,000	Marks & Spencer GBP0.25 ordinary shares	76,532
9,000	Reed Elsevier GBP0.125 ordinary shares	43,428
20,000	Persimmon GBP0.10 ordinary shares	86,822
3,000	Severn Trent GBX65.263157 ordinary shares	20,089
6,666	United Utilities GBP1 ordinary shares	10,999
12,500	Whitbread GBP0.50 ordinary shares	91,363
		<hr/>
		988,763

Investments sold during the year

		Proceeds £	Cost £	Profit (loss) £
13,000	Cadbury Schweppes GBP0.125 ordinary shares	53,020	21,911	31,109
10,000	Capita Group GBP0.02 ordinary shares	29,982	11,679	18,303
2,700	GlaxoSmithkline GBP0.25 ordinary shares	37,280	46,538	(9,258)
1,351	Granada GBP1 redeemable shares	1,351	1,572	(221)
9,000	HBOS GBP0.25 ordinary stock	68,581	70,289	(1,708)
8,000	HIT Entertainment GBP0.02 ordinary shares	20,642	28,674	(8,032)
5,084	Intercontinental Hotels GBP1 ordinary shares	20,483	18,676	1,808
8,000	Intermediate Capital GBP0.20 ordinary shares	80,790	62,261	18,529
30,000	Manchester United GBP0.10 ordinary shares	73,725	33,269	40,456
5,000	Next GBP0.10 ordinary shares	48,031	12,644	35,387
5,000	Persimmon GBP 0.10 ordinary shares	26,577	21,705	4,872
10,500	Provident Financial GBX10.363636 ordinary shares	70,068	76,639	(6,571)
5,000	Reuters Group GBP0.25 ordinary shares	19,123	9,535	9,588
25,000	Royal Bank of Scotland GBP0.01 additional value shares	-	13,451	(13,451)
4,500	Royal Bank of Scotland GBP0.25 ordinary shares	78,004	39,599	38,405
20,000	Selfridges GBP0.25 ordinary shares	77,101	60,255	16,845
6,000	Six Continents GBP0.28 ordinary shares	4,860	4,806	54
12,000	Tesco GBP0.05 ordinary shares	29,322	22,713	6,609
37,000	Vodafone Group USDO.10 ordinary shares	50,310	25,346	24,964
5,000	Wilson Bowden GBP0.10 ordinary shares	52,512	20,089	32,423
16,000	Wolseley GBP0.25 ordinary shares	115,837	24,428	91,409
		<hr/>	<hr/>	<hr/>
		957,599	626,079	331,520

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

4. LOAN

The loan is to ART SHARE (Social Help Association for Reinvesting in Enterprise) Limited and is repayable by 14 December 2005, unless otherwise extended, and carries interest at 2% per annum.

5. SHORT TERM DEPOSIT

	2004 £	2003 £
Amount held by Gerrard as part of the investment portfolio	144,025	188,103

6. DEBTORS

	2004 £	2003 £
Income tax recoverable	5,326	3,842
Investment income held by Gerrard	10,921	18,137
Other	2,613	1,786
	<u>18,860</u>	<u>23,765</u>

7. CREDITORS: Amounts falling due within one year

	2004 £	2003 £
Loan (see note 8)	95,096	95,096
Accruals	9,835	2,275
	<u>104,931</u>	<u>97,371</u>

8. CREDITORS: Amounts falling due after more than one year

	2004 £	2003 £
Loan	-	95,096

During the year ended 31 March 1991 A N Gillett lent £133,220 to Polden Puckham Charitable Foundation. The receipt of the loan however was treated as a capital donation in the accounts for that year and the loan has not been recognised in the accounts in subsequent years. The trustees now wish to recognise the loan and at 5 April 2003 considered its value to be £285,288 calculated in accordance with the appreciation in value of the investment portfolio but excluding the value of C & J Clark Limited ordinary shares. The trustees have agreed with the lender for the loan to be repaid by three equal annual instalments. The first repayment of £95,096 was made in the year ended 31 March 2003 and a second, in the same amount, was made in the year ended 5 April 2004.

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

9. INVESTMENT INCOME

	2004 £	2003 £
Listed investments U K	187,556	176,102
Listed investments overseas	1,682	-
Unlisted	128,665	185,679
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	317,903	361,781
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10. COSTS OF GENERATING FUNDS

	2004 £	2003 £
Investment management fees	12,914	13,903
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11. GRANTS

Grants were made to the following charities during the year

	2004 £
Agroforestry Research Trust	500
Agribusiness Accountability Initiative	4,000
Baby Milk Action	5,000
BASIC	6,000
BioRegional Development Group	4,000
Campaign for Freedom of Information	2,000
Centre for Human Ecology	7,500
Centre for Alternative Technology	3,208
Committee for Conflict Transformation Support	3,000
Corporate Watch	6,700
Corporate Europe Observatory	10,000
Ecological Foundation (Chapter 7)	3,000
Econexus	2,000
Friends of the Earth (International Climate Change Programme)	10,000
Friends World Committee for Consultation	5,000
Genewatch	5,500
International Women's Peace Service, Palestine	5,000
ISIS UK	5,000
ISIS Europe	5,000
Islamic Foundation for Ecology and Environmental Services	2,500
The Leaveners	1,000
Nuclear Information Service	5,000
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Forward	100,908

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

11. GRANTS (continued)

	2004 £
Forward	100,908
Oxford Research Group	10,000
Peace Brigades International	10,000
Peaceworkers UK	9,500
People & Planet	5,000
Pesticide Action Network	5,000
Platform	4,600
Powerful Information	4,000
Quaker Peace and Social Witness	20,000
Quaker Peace Studies Trust	1,000
Quaker United Nations Office, Geneva	10,000
Responding to Conflict	10,000
Reporting the World	5,000
Saferworld	15,000
Schumacher UK	250
Scientists for Global Responsibility (Martin Ryle Trust)	5,000
Scottish Centre for Nonviolence	3,000
Small World Action Projects	2,000
Society of St Columban, Mines and Communities/Partizan	5,000
Soil Association	4,000
Sponge for Sustainability	3,000
Student Action for Refugees	3,000
Sustain	5,000
Transnational Institute	5,000
Truth foundation for Mahatma Gandhi	1,000
UNA Exchange (CCIIVS)	4,000
VERTIC	5,800
West Midlands Quaker Peace Education Project	1,250
Women's Environmental Network	10,000
World Information Service on Energy	4,000
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	271,308
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POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2004**

12. SUPPORT COSTS

	2004 £	2003 £
Secretary's salary and national insurance	23,221	14,950
Travelling expenses	1,412	998
Telephone	338	413
Stationery and office expenses	172	379
Post Office box number etc	285	424
Secretarial expenses	607	896
Subscriptions:		
Association of Charitable Foundations	405	585
Social Investment Forum	294	294
Cornerhouse Research	-	25
Environmental Grant Makers Association	-	264
Seminars and conferences	150	457
Office equipment	3,699	-
Computer expenses	1,550	237
Recruitment costs	-	6,284
Research report - Engagement Strategy	2,660	-
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	34,793	26,206
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13. ADMINISTRATION

	2004 £	2003 £
Auditors remuneration		
Fees	1,880	1,763
Other services	1,116	-
Bank charges	62	66
Trustees meeting and travelling expenses	1,596	2,110
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	4,654	3,939
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14. STAFF COSTS

The only employee of the Charity is the secretary. Costs in respect of his employment and his predecessor who retired during the year were:

	2004 £	2003 £
Salary	21,154	13,860
National insurance	2,067	1,090
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	23,221	14,950
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None of the trustees received any remuneration.

POLDEN PUCKHAM CHARITABLE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2004**

15. TRUSTEES EXPENSES

Trustees received reimbursement of travelling and incidental expenses incurred by them attending conferences, trustees meetings etc. The number of trustees reimbursed was five (2003 five) and the amount reimbursed was £620 (2003 £2,110).

16. FUTURE GRANTS

The amounts of grants authorised for payment subsequent to the year end but not committed are as follows:

	2004 £	2003 £
Year ended 5 April 2004	-	156,700
Year ended 5 April 2005	179,700	91,000
Year ended 5 April 2006	44,000	5,000
Year ended 5 April 2007	25,000	-
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	248,700	252,700
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17. FUNDS

General Fund

The balance, if any, on general fund is accumulated income after payment of grants and expenses.

Investment Fund

The investment fund consists of the investment of trust moneys not immediately required and which can be applied at the discretion of the trustees in pursuance of the charitable objects of the trust.