

# **The Gerald Kerkut Charitable Trust**

Charity Registration No. 1064724

**Trustees' report and unaudited accounts**

**For the year ended 31 December 2020**

# The Gerald Kerkut Charitable Trust

## Legal and administrative information

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Trustees	Dr Niall Horn Dr Alan Thomas Professor Robert Walker
Charity number	1064724
Principal address	220 Hill Lane Southampton Hampshire SO15 7NR
Independent examiner	Simon Ellingham FCA Fawcetts LLP Chartered Accountants Windover House St Ann Street Salisbury Wiltshire SP1 2DR
Accountants and taxation advisors	Smith & Williamson LLP Accountants Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG
Solicitors	Paris Smith LLP Number One London Road Southampton Hampshire SO15 2AE
Investment advisors	Smith & Williamson Investment Management LLP 25 Moorgate London EC2R 6AY

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# The Gerald Kerkut Charitable Trust

## Contents

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	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 11

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# The Gerald Kerkut Charitable Trust

## Trustees' report for the year ended 31 December 2020

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The trustees present their report and accounts for the year ended 31 December 2020.

The accounts comply with the Charities Act 2011 and 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 2019).

### Objectives and activities

#### *Purpose and activities*

The charity's objects are to advance education and research in physiology at the University of Southampton by providing bursaries and prizes to students of physiology at the University of Southampton and publishing useful results and to, or for, such other charitable purposes as the trustees shall decide.

#### *Grant making*

The policies adopted in furtherance of these objects are to consider all requests from members of the University of Southampton and award grants where appropriate. There has been no change to these policies during the year.

#### *Public benefit*

The trustees have considered the guidance provided by the Charity Commission with regard to meeting the public benefit objective. As applications for grants are open to all relevant persons and all research produced is available for public review, the trustees believe that The Gerald Kerkut Charitable Trust is acting for the benefit of the public.

#### *Risk factors*

The trustees have reviewed the risks to the charity's assets and income and are satisfied that adequate controls are in place.

#### *Grant making policy*

The charity invites applications for research grants from members of the University of Southampton. Applicants submit a summary of their proposals to the trustees. Applications are reviewed against the research criteria and awarded accordingly. Successful applicants are required to submit an annual report summarising the past year's activities in order that the grant is continued. If the student is not making satisfactory progress the University may terminate the studentship.

### Achievements, performance and financial review

#### *Financial review*

During the year the charity received donations of £nil (2019: £1,000), £32,059 (2019: £41,814) from dividend income and £29 (2019: £43) of bank interest. It also received £993 (2019: £819) relating to withholding tax claims.

An analysis of grants payable is provided in note 3. New grants totalling £68,450 were awarded during the year (2019: £335,848). However, as a result of the Covid-19 pandemic and the impact that this had on the University's students, the number of grants paid during the year was lower than predicted (and committed to as included in last year's accounts). This, coupled with the uncertainty going forward as Covid-19 continues, has led to revised projections with a lower number of grants now being anticipated to be paid going forward. Consequently, the grants committed figure as shown in the accounts this year is a negative figure.

Overall, fund balances in the charity have increased by £206,721 during the year to £1,552,895 at 31 December 2020.

# The Gerald Kerkut Charitable Trust

## Trustees' report for the year ended 31 December 2020

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The trustees are confident that the charity has sufficient reserves to enable them to make grants at the level that is required.

### ***Investment policy***

The charitable trust deed permits any investments to further the objects of the charity. The charity has a portfolio of listed investments that had a market value of £1,802,710 at 31 December 2020 (2019: £1,967,421).

Gains on investment assets this year totalled £88,722 which related to a profit on sale of investments of £2,454 and appreciation in the value of investments of £86,268.

### ***Reserves policy***

The trustees will pursue a policy of distributing the income and if suitable opportunities arise also capital of the charity. Any surplus or deficit of income will be taken to the reserves. This is in accordance with the fact that all the funds of the charity are unrestricted (see note 1.7).

### ***Plans for future***

The charity will continue to provide funding for University of Southampton students and research projects, together with other suitable studentships and research.

## **Structure, governance and management**

### ***Governance***

The charity was established by a charitable trust deed on 19 August 1997. The charity is an unincorporated association as is registered with the charity commission, charity number 1064724.

### ***Trustees***

The trustees who served during the year were:

Dr Niall Horn  
Dr Alan Thomas  
Professor Robert Walker

Trustees are appointed by a resolution of the trustees passed at a special meeting. There shall be at least three trustees at any one time.

The day to day running of the charity is dealt with by Dr Niall Horn. The trustees run the charity and meet at least twice a year to discuss affairs of the charity and to consider requests for support which have been received. Every matter is determined by a majority of votes of the trustees present. The chairman of the meeting shall have the casting vote.

The trustees consider that their combined skill set is sufficient to ensure the efficient performance of the charity at this time and feel that, given the size of the charity, a formal programme of training is not necessary, but they will continue to monitor the situation and will provide suitable training where circumstances require.

# The Gerald Kerkut Charitable Trust

## Trustees' report for the year ended 31 December 2020

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### **Structure and management reporting**

The trustees are ultimately responsible for the policies, activities and assets of the charity. They are in regular and frequent contact to review the developments with regard to the charity, its activities and to make important decisions. The trustees review the proposals for grants to be made and approve such grants as appropriate. When necessary, the trustees seek advice and support from the charity's professional advisors including investment managers and accountants.

At their meetings the trustees review the investment performance and the investment managers are regularly invited to attend to update the trustees in detail on the portfolio.

### **Trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations.

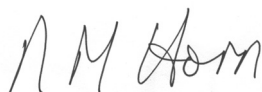
The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations). Under that law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (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.

On behalf of the board of trustees



**Dr Niall Horn**  
Trustee

Dated:

10/06/2021

# The Gerald Kerkut Charitable Trust

## Independent examiner's report to the trustees of The Gerald Kerkut Charitable Trust

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I report to the trustees on my examination of the accounts of The Gerald Kerkut Charitable Trust for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the accounts, including a summary of significant accounting policies.

### Respective responsibilities of trustees and examiner and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
**Simon Ellingham FCA**

Fawcetts LLP  
Chartered Accountants  
Windover House  
St Ann Street  
Salisbury  
Wiltshire  
SP1 2DR

Dated:

# The Gerald Kerkut Charitable Trust

## Statement of financial activities for the year ended 31 December 2020

	Notes	2020 £	2019 £
<b>Income:</b>			
Donations		-	1,000
Investment income	2	33,081	42,676
<b>Total income</b>		<b>33,081</b>	<b>43,676</b>
<b>Expenditure:</b>			
Raising funds		13,147	14,453
Charitable activities - grants	3	(105,364)	336,848
Charitable activities - support costs		7,299	7,319
<b>Total expenditure</b>	4	<b>(84,918)</b>	<b>358,620</b>
<b>Net income/(expenditure) before gains on investments</b>		<b>117,999</b>	<b>(314,944)</b>
Gains on investment assets		88,722	223,509
<b>Net movement in funds</b>		<b>206,721</b>	<b>(91,435)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		1,346,174	1,437,609
<b>Total funds carried forward</b>		<b>1,552,895</b>	<b>1,346,174</b>

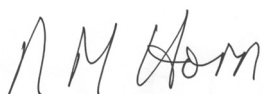
All income and expenditure derives from continuing activities.



## Balance sheet as at 31 December 2020

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Investments	8		1,802,710		1,967,421
<b>Current assets</b>					
Debtors	9	186		234	
Cash at bank and in hand		103,604		66,365	
		<u>103,790</u>		<u>66,599</u>	
<b>Creditors: amounts falling due within one year</b>					
	10	(281,605)		(292,096)	
<b>Net current liabilities</b>			<u>(177,815)</u>		<u>(225,497)</u>
<b>Total assets less current liabilities</b>			<u>1,624,895</u>		<u>1,741,924</u>
<b>Creditors: amounts falling due after more than one year</b>	11				
			(72,000)		(395,750)
<b>Net assets</b>			<u><u>1,552,895</u></u>		<u><u>1,346,174</u></u>
<b>The funds of the charity</b>					
Unrestricted funds			<u>1,552,895</u>		<u>1,346,174</u>
<b>Total charity funds</b>			<u><u>1,552,895</u></u>		<u><u>1,346,174</u></u>

The accounts were approved by the Trustees and authorised for issue by:



.....  
**Dr Niall Horn**  
Trustee

Date:

10/06/2021

# The Gerald Kerkut Charitable Trust

## Notes to the accounts for the year ended 31 December 2020

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### 1 Accounting policies

#### 1.1 General information

The Gerald Kerkut Charitable Trust is an unincorporated trust, constituted under a charitable trust deed on 19 August 1997. It is registered with the Charity Commission in England & Wales (No. 1064724). The address of the principal office is 220 Hill Lane, Southampton, Hampshire, SO15 7NR.

#### 1.2 Basis of preparation

The accounts have been prepared in accordance with 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 2019).

The accounts have been prepared under the historical cost convention, as modified to include the revaluation of investments.

The trustees confirm that the charity is a public benefit entity as defined by FRS 102.

The accounts are prepared on a going concern basis; there are no material uncertainties about the charity's ability to continue as a going concern.

#### 1.3 Income

Investment income is credited in the statement of financial activities in the period in which it is receivable. Donations are credited when they have been received. Legacies are accounted for when the amount receivable is known.

#### 1.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category.

The costs of raising funds consists of investment management costs.

Grants payable are payments made to third parties in furtherance of the charitable objects of the charity. The grants are accounted for where the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant.

Support costs consist of costs not directly attributable to direct charitable expenditure, but which are in respect of the general administration of the charity and overall management of the funds.

#### 1.5 Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value at the date of the accounts.

Unrealised gains or losses are recognised in the statement of financial activities. Realised gains and losses are the difference between disposal proceeds and carrying value and are recognised in the statement of financial activities under gains and losses on investment assets.

# The Gerald Kerkut Charitable Trust

## Notes to the accounts for the year ended 31 December 2020

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### 1 Accounting policies

(Continued)

#### 1.6 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net income / expenditure.

#### 1.7 Fund accounting

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

The charity has no restricted or endowment funds.

### 2 Investment income

	2020 £	2019 £
Dividends	32,059	41,814
Withholding tax claims	993	819
Bank interest	29	43
	<hr/>	<hr/>
	33,081	42,676
	<hr/>	<hr/>

# The Gerald Kerkut Charitable Trust

## Notes to the accounts for the year ended 31 December 2020

### 3 Grants payable

	2020 £	2019 £
Grants to institutions	(105,364)	335,848
	<u>          </u>	<u>          </u>
<b>Reconciliation of grants payable</b>		
Commitments charged to the statement of financial activities in the year	(105,364)	335,848
Grants paid during the year	(228,686)	(256,613)
Commitments at 1 January 2020	677,500	598,265
	<u>          </u>	<u>          </u>
Commitments at 31 December 2020	343,450	677,500
	<u>          </u>	<u>          </u>
Commitments at 31 December 2020 are payable as follows:		
Within one year	271,450	281,750
After more than one year	72,000	395,750
	<u>          </u>	<u>          </u>
	343,450	677,500
	<u>          </u>	<u>          </u>

All grants payable were made to the Education sector.

The trustees have accrued, as a liability, grants payable for studentships based on funding for 3 years. Although each grant is subject to an annual review, the trust normally accepts the performance report from the supervisor as the basis for continued funding. Since the progress of the student and the assessment of their progress are both outside of the control of the trustees, a full accrual for this commitment is made.

### 4 Total expenditure

	2020 £	2019 £
<b>Raising funds:</b>		
Investment management fees	13,147	14,453
<b>Charitable activities - grants:</b>		
Donation - tribute to Howard Wheal	-	1,000
Grants payable (see note 3)	(105,364)	335,848
<b>Charitable expenditure - support costs:</b>		
Loss on foreign exchange	375	29
Sundry expenses	-	72
Bank charges	120	192
Governance costs (see note 5)	6,804	7,026
	<u>          </u>	<u>          </u>
	(84,918)	358,620
	<u>          </u>	<u>          </u>

# The Gerald Kerkut Charitable Trust

## Notes to the accounts for the year ended 31 December 2020

### 5 Governance costs

	2020 £	2019 £
Accountancy fees	5,640	5,820
Independent examiner's fees	1,164	1,206
	<u>6,804</u>	<u>7,026</u>

### 6 Trustees

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind during the year (2019: £nil). There were no reimbursements made to the trustees during the year (2019: Dr Alan Thomas was reimbursed expenses of £1,000).

There were no other related party transactions in the year (2019: £nil).

### 7 Employees

There were no employees during the year (2019: none).

### 8 Fixed assets

	2020 £	2019 £
Market value at 1 January 2020	1,967,421	2,018,778
Acquisitions at cost	99,186	323,741
Disposals at opening market value	(350,165)	(552,945)
Change in value in the year	86,268	177,847
<b>Market value at 31 December 2020</b>	<u><b>1,802,710</b></u>	<u><b>1,967,421</b></u>

Investments at market value comprised:

Bonds	428,116	510,468
Alternative investments	120,328	109,539
Multi Asset investments	233,571	320,572
Equities	1,020,695	1,026,842
	<u>1,802,710</u>	<u>1,967,421</u>
Cash held within investment portfolio	103,604	50,812
<b>Portfolio total</b>	<u><b>1,906,314</b></u>	<u><b>2,018,233</b></u>

# The Gerald Kerkut Charitable Trust

## Notes to the accounts for the year ended 31 December 2020

<b>9 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Investment income due	<b>186</b>	<b>234</b>
	<b>186</b>	<b>234</b>
<b>10 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Grants payable (see note 3)	<b>271,450</b>	<b>281,750</b>
Accruals	<b>10,155</b>	<b>10,346</b>
	<b>281,605</b>	<b>292,096</b>
<b>11 Creditors: amounts falling due after more than one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Grants payable (see note 3)	<b>72,000</b>	<b>395,750</b>
	<b>72,000</b>	<b>395,750</b>