

**Charity Registration No. 1102472**

**Company Registration No. 05004498 (England and Wales)**

**JOHN APTHORP CHARITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# JOHN APTHORP CHARITY

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# JOHN APTHORP CHARITY

## REPORT OF THE COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The council present their report and financial statements for the year ended 31 December 2020.

### Objectives and activities

The objectives of The Charity are helping the young, the old, the disabled and the general community in Hertfordshire, Bedfordshire and Buckinghamshire in England. This is done by the awarding of grants to organisations with charitable status.

Grant applications may be made by any organisation with charitable status operating in our catchment area and are considered by the Council on an individual basis. When setting grant making policy and awarding grants the Council pay due regard to The Charity Commission guidance on public benefit.

### Achievements and performance

During the year grants totalling £286,989 (2019: £826,152) were awarded to 23 organisations. Grants of £3,000 awarded to Hertfordshire Agricultural Society and £5,000 awarded to Aldenham Parish Council were subsequently refunded due to event cancellations. Grants awarded in previous years refunded were £nil (2019: £14,188). Grants awarded are detailed below:

Recipient	Purpose	£
Kids in Action	Purchase of their children's centre	50,000
4th Dunstable Scout Group	New scout headquarters building	20,000
Aldenham War Memorial Hall	Improvements at the hall including new fire doors and updating the kitchen	15,000
Music 24	Keyboard and drum kit	950
Dallow Development Trust	New flooring at their community centre	10,000
Middleton Centre	New toilet facilities including a disabled unit	14,366
Hertfordshire Agricultural Society	First Hertfordshire Schools Food and Farming Day	3,000
Amersham Band	Light fittings in their new building	2,000
Sir Everard Duncombe for Parish Hall	New windows in the hall	10,240
North Mymms Youth Project	New van	3,000
Aspire	Automatic changing room door	6,263
Unity Hall Barton Le Clay	New tables and chairs	960
PACE	Two interactive white boards	8,998
Action4Youth	Mobile bathroom and changing facility for disabled participants	11,576
Aldenham Parish Council	The Radlett Festival of Culture	5,000
SOFEA	New Community Larders in Milton Keynes	10,000
Royal Albert Hall	Replacement seats for hall	5,000
The Chellington Centre	New building at their residential centre	20,000
Wycombe Multicultural Organisation	Refurbishment of the kitchen /bar area of their community centre	12,000
SAHWR	Furniture and furnishings at their new refuge	18,830
St Andrews Church Langford	New toilet and kitchen facilities in the church	7,000
Bus Shelter MK	New accommodation for young homeless women in Milton Keynes	32,806
St Marys Church Aylesbury	Repairs to the church	20,000
<b>Total</b>		<b>286,989</b>

# **JOHN APTHORP CHARITY**

## **REPORT OF THE COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Financial review**

Under the Memorandum and Articles of Association, the charity has the power to make any investment the Council sees fit. During the year the Council decided to invest monies previously held in Treasury deposits to listed investments under the management of Charles Stanley & Co.

During the year the charity received investment income and interest of £360,944 (2019: £547,270). The charity awarded net grants of £278,989 (2019: £811,964).

### **Principal risks and uncertainties**

The main risk facing the charity would be a drop in the income generated by the investments held. In these circumstances the charity would have to reduce the amount of grant awards made. The charity mitigates this risk by only awarding grants that can be met by available funds.

### **Reserves policy and going concern**

It is the policy of the charity that unrestricted funds should be maintained at a level which will generate investment returns to meet annual grant allocation targets of £450,000 and ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

At 31 December 2020 the charity held free reserves of £11,008,508 (2019: £12,742,276) which met this target.

### **Plans for future periods**

The Council of Management will continue to distribute the charity's income through the awarding of grants to institutions. The focus in future years will be charitable organisations that work locally to the Trust.

### **Structure, governance and management**

The charity is governed by its Memorandum and Articles of Association.

The council members are appointed by existing members at the annual general meeting. Day to day management of the charity is delegated to Mr. J. D. Apthorp, a council member.

The Council met three times in the year to award grants and administer the charity.

None of the members of the Council of Management has any beneficial interest in the company. All of the members of the Council of Management are members of the company and guarantee to contribute £1 in the event of a winding up.

The Council has assessed the major risks to which the charity is exposed, and are satisfied that the systems are in place to mitigate exposure to the major risks.

### **Reference and administration details of the charity, its trustees and advisers**

Summary Limited changed its name to The John Apthorp Charity on 20 November 2011. The charity was registered as a company limited by guarantee (no: 5004498) on 30 December 2003 and as a charity in England and Wales (no: 1102472) on 4 March 2004.

The registered address of the charity is Egale 1, 80 St Albans Road, Watford, Hertfordshire, WD17 1DL.

The members of the Council of Management, who are directors under company law and trustees under charity law, who served throughout the year and up to the date of this report were:

J D Apthorp CBE  
K Arnold (Secretary)  
D M Apthorp  
J J Apthorp

# **JOHN APTHORP CHARITY**

## **REPORT OF THE COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Statement of council members' responsibilities**

The Council of Management is responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Council of Management to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resource, including its net income and expenditure for the year.

In preparing those financial statements, the Council of Management is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 charity will continue in business.

The Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. It is 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.

### **Auditor**

In accordance with section 487 of the Companies Act 2006, a resolution proposing that Myers Clark be reappointed as auditors of the company will be put to the Annual General Meeting.

The council members' report was approved by the Board of Council.

**J D Apthorp CBE**

Council member

Dated: 12 May 2021

# JOHN APTHORP CHARITY

## INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF JOHN APTHORP CHARITY

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### Opinion

We have audited the financial statements of John Apthorp Charity (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the council members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the council with respect to going concern are described in the relevant sections of this report.

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The council are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

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

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

# **JOHN APTHORP CHARITY**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE COUNCIL OF JOHN APTHORP CHARITY**

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#### **Responsibilities of council**

As explained more fully in the statement of council members' responsibilities, the council, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the council are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Paul Windmill (Senior Statutory Auditor)**  
**for and on behalf of Myers Clark**  
**Chartered Accountants**  
**Statutory Auditor**

10 June 2021

# JOHN APTHORP CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
<b><u>Income from:</u></b>			
Investments	2	360,944	547,270
<b>Total income</b>		<u>360,944</u>	<u>547,270</u>
<b><u>Expenditure on:</u></b>			
Grants	3	(278,989)	(811,964)
Administration fees		(1,020)	(1,905)
Audit services		(2,758)	(2,692)
Other services		(1,040)	(1,040)
Investment management		(230)	(111)
<b>Total expenditure</b>		<u>(284,037)</u>	<u>(817,712)</u>
Net gains/(losses) on investments	4	(1,810,675)	2,286,129
<b>Net movement in funds</b>		<u>(1,733,768)</u>	<u>2,015,687</u>
Fund balances at 1 January 2020		<u>12,742,276</u>	<u>10,726,589</u>
<b>Fund balances at 31 December 2020</b>		<u><u>11,008,508</u></u>	<u><u>12,742,276</u></u>

The notes on pages 9 to 13 form part of these financial statements.



# JOHN APTHORP CHARITY

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Investments	4	10,682,016		12,492,921	
<b>Current assets</b>					
Debtors	5	39,937		37,785	
Cash at bank and in hand		290,155		215,110	
		<u>330,092</u>		<u>252,895</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(3,600)</u>		<u>(3,540)</u>	
Net current assets			326,492		249,355
<b>Total assets less current liabilities</b>			<u>11,008,508</u>		<u>12,742,276</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated revaluation reserve	7	3,639,248		5,222,793	
General unrestricted funds		<u>7,369,458</u>		<u>7,519,483</u>	
			11,008,508		12,742,276
			<u>11,008,508</u>		<u>12,742,276</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of the accounts

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS 102 SORP.

The financial statements Approved by the Council of management on 12 May 2021 and signed on their behalf by:

JD Aprthorp CBE

Council Member

K Arnold

Council Member

**Company Registration No. 05004498**

# JOHN APTHORP CHARITY

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	12		(286,129)		(802,702)
<b>Investing activities</b>					
Purchase of investments		(471,322)		(1,578,622)	
Proceeds on disposal of investments		1,505,581		1,827,747	
Dividends and interest from investments		360,944		547,270	
Income re-invested		(1,034,259)		(36,605)	
Charges paid		230		111	
<b>Net cash generated from investing activities</b>			361,174		759,901
<b>Net increase/(decrease) in cash and cash equivalents</b>			75,045		(42,801)
Cash and cash equivalents at beginning of year			215,110		257,911
<b>Cash and cash equivalents at end of year</b>			290,155		215,110
<b>Relating to:</b>					
Cash at bank and in hand			290,155		215,110

# JOHN APTHORP CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements are prepared in accordance with the Statement of Recommended Practice: Accounting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) effective 1 January 2019 (SORP FRS 102) and the Financial Reporting Standard applicable in the UK and Ireland and the Companies Act 2006.

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

The Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern.

#### 1.2 Income recognition

Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and other voluntary forms of income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by investment managers of the receipt of the dividend.

#### 1.3 Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on the accruals basis.

Grants payable are payment made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant. Grants awarded that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is outside the control of the charity. Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### 1.4 Investments

Investments are held for the purposes of the generation of income for future grant payments and are stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

# JOHN APTHORP CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 2 Investment income

	2020	2019
	£	£
Listed investments:		
Held within the UK	360,181	547,270
Held outside the UK	763	-
	<u>360,944</u>	<u>547,270</u>

### 3 Grants payable

	2020	2019
	£	£
Grants awarded in the year to institutions	286,989	826,152
Grants refunded from institutions	(8,000)	(14,188)
	<u>278,989</u>	<u>811,964</u>

For further details of the grants awarded see page 1 in the Report of the Council of Management.

# JOHN APTHORP CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Fixed asset investments

	2020 £	2019 £
Market value at 1 January 2020	12,492,921	10,419,423
Transfer (to)/from income account	-	(232,520)
Charges paid	(230)	(111)
Movement in realised and unrealised gain	(1,810,675)	2,286,129
	<u>10,682,016</u>	<u>12,472,921</u>
Market value at 31 December 2020	<u>10,682,016</u>	<u>12,472,921</u>
Historical cost at 31 December 2020	<u>5,972,236</u>	<u>7,233,623</u>
	<u>10,661,308</u>	<u>12,455,844</u>
Held within the UK	10,661,308	12,455,844
Held outside the UK	20,708	37,077
	<u>10,682,016</u>	<u>12,492,921</u>

Individual holdings which comprised more than 5% of the total market value were as follows:

	2020 £	2019 £
Persimmon 10p shares	1,383,500	1,347,500
Severn Trent 97p shares	1,144,500	1,257,500
GlaxoSmithKline 9.8p shares	671,000	889,500
Close Brothers Group 25p shares (<5% in 2020 as shares were sold)	-	799,000
WH Smith 22.09p shares	755,000	780,000
Experian 10c shares	833,100	765,600
Diageo 28p shares	575,600	640,100
Prudential 5p shares (<5% in 2019)	673,500	579,600
Legal & General 25p shares (<5% in 2019)	532,400	606,000

### 5 Debtors

	2020 £	2019 £
Prepayments and accrued income	<u>39,937</u>	<u>37,785</u>

### 6 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	<u>3,600</u>	<u>3,540</u>

# JOHN APTHORP CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Designated funds

	2020 £	2019 £
Balance at 1 January	5,222,793	2,984,188
Add: Movement in unrealised gains	(1,583,545)	2,238,605
	<u>          </u>	<u>          </u>
Balance at 31 December	<u>3,639,248</u>	<u>5,222,793</u>

### 8 Trustees remuneration

None of the Council of Management received any remuneration or reimbursement of expenses in the year (2019: none).

### 9 Grant commitments

There are no grant commitments for future years (2019: £50,000).

### 10 Related party transactions

One of the Trustees of The John Apthorp Charity, is a Non-Executive Director of Naked Wines PLC. The charity held 150,000 shares worth £339,000 in Naked Wines PLC at the year ended 31 December 2019. The charity sold these shares during 2020 and made a net realisable gain of £206,332 on the sale. Dividend income of £7,800 (2019: nil) was received during the year.

One of the trustees is a trustee of the Friend of St Peter's Great Berkhamsted. A grant of £nil (2019: £45,744) was awarded to the Parish church of St Peter Great Berkhamsted.

### 11 Auditor's Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard – Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.

### 12 Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(1,733,768)	2,015,687
Adjustments for:		
Investment income recognised in statement of financial activities	(360,944)	(547,270)
Fair value gains and losses on investments	1,810,675	(2,286,129)
Movements in working capital:		
(Increase)/decrease in debtors	(2,152)	14,890
Increase in creditors	60	120
	<u>          </u>	<u>          </u>
<b>Cash absorbed by operations</b>	<u>(286,129)</u>	<u>(802,702)</u>