

Charity registration number: 1114312

# The John James Underdown Charitable Trust

Annual Report and Financial Statements

for the Year Ended 5 April 2023



# **The John James Underdown Charitable Trust**

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# **The John James Underdown Charitable Trust**

## **Reference and Administrative Details**

<b>Trustees</b>	Edward Roy Underdown
	Deborah Underdown
	Nichola Norman
<b>Charity Registration Number</b>	1114312
<b>Principal Office</b>	The Laurels
	46 New Street
	Honiton
	Devon
<b>Independent Examiner</b>	EX14 1BY
	Mrs S L Watts FCCA DChA
	Westcotts (SW) LLP
	26-28 Southernhay East
	Exeter
	Devon
	EX1 1NS

# **The John James Underdown Charitable Trust**

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 5 April 2023.

### **Objectives and activities**

#### ***Objects and aims***

The objects of the Charity are to apply the trust fund and its income to or for the benefit of such exclusively charitable and purposes in any part of the world as the Trustees may in their absolute discretion think fit.

#### ***Public benefit***

In planning our activities for the year we kept in mind the Charity Commission guidance on public benefit.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Achievements and performance**

The Trust's endowment fund is invested to achieve a high income with some capital appreciation.

#### **Financial review**

Total investment income amounted to £28,161 (2022: £22,960).

The majority of the capital of the Trust is invested in the stock market.

The value of the Trust securities as at 5 April 2023 was £657,690 (2022: £725,863).

Unspent income reserved as at 5 April 2023 was £138,381 (2022: £137,745).

Grant distributed during the year totalled £37,500 (2022: £15,000).

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

#### ***Nature of governing document***

The John James Underdown Charitable Trust was set up on 14 October 2005 from a bequest left by John James Underdown. The Trust was registered with the Charity Commissioners (no. 1114312) on 22 May 2006 and is governed by the will of John James Underdown deceased.

## **The John James Underdown Charitable Trust**

### **Trustees' Report (continued)**

#### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which 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 period. In preparing these financial statements, 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 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 trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 10 February 2024 and signed on its behalf by:

Edward Roy Underdown  
Trustee

Deborah Underdown  
Trustee

Nichola Norman  
Trustee

## **The John James Underdown Charitable Trust**

### **Independent Examiner's Report to the trustees of The John James Underdown Charitable Trust**

I report to the trustees on my examination of the accounts of The John James Underdown Charitable Trust for the year ended 5 April 2023.

#### **Responsibilities and basis of report**

As the charity trustees of The John James Underdown Charitable Trust 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 The John James Underdown Charitable Trust's accounts carried out under section 145 of the 2011 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 John James Underdown Charitable Trust 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 accounting 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.

Mrs S L Watts  
FCCA DChA

Westcotts (SW) LLP  
26-28 Southernhay East  
Exeter  
Devon  
EX1 1NS

8 April 2024

# The John James Underdown Charitable Trust

## Statement of Financial Activities for the Year Ended 5 April 2023

	Note	Unrestricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>					
Investment income	2	28,161	-	28,161	22,960
Total income		28,161	-	28,161	22,960
<b>Expenditure on:</b>					
Raising funds		(7,182)	-	(7,182)	(7,933)
Charitable activities		(42,384)	-	(42,384)	(20,012)
Total expenditure		(49,566)	-	(49,566)	(27,945)
Gains/losses on investment assets		-	(53,145)	(53,145)	16,204
Net (expenditure)/income		(21,405)	(53,145)	(74,550)	11,219
Net movement in funds		(21,405)	(53,145)	(74,550)	11,219
<b>Reconciliation of funds</b>					
Total funds brought forward		36,024	844,532	880,556	869,337
Total funds carried forward	12	14,619	791,387	806,006	880,556

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 12.

## The John James Underdown Charitable Trust

(Registration number: 1114312)

### Balance Sheet as at 5 April 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	9	675,509	750,993
<b>Current assets</b>			
Cash at bank and in hand	10	138,381	137,745
<b>Creditors: Amounts falling due within one year</b>	11	<u>(7,884)</u>	<u>(8,182)</u>
<b>Net current assets</b>		<u>130,497</u>	<u>129,563</u>
<b>Net assets</b>		<u>806,006</u>	<u>880,556</u>
<b>Funds of the charity:</b>			
<b>Endowment funds</b>		791,387	844,532
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>14,619</u>	<u>36,024</u>
<b>Total funds</b>	12	<u>806,006</u>	<u>880,556</u>

The financial statements on pages 5 to 14 were approved by the trustees, and authorised for issue on 10 February 2024 and signed on their behalf by:

Edward Roy Underdown  
Trustee

Deborah Underdown  
Trustee

Nichola Norman  
Trustee



# **The John James Underdown Charitable Trust**

## **Notes to the Financial Statements for the Year Ended 5 April 2023**

### **1 Accounting policies**

#### **Statement of compliance**

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Basis of preparation**

The John James Underdown Charitable Trust meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

#### **Going concern**

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

#### **Income and endowments**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Grant provisions**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

## **The John James Underdown Charitable Trust**

### **Notes to the Financial Statements for the Year Ended 5 April 2023 (continued)**

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

# The John James Underdown Charitable Trust

## Notes to the Financial Statements for the Year Ended 5 April 2023 (continued)

### Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## 2 Investment income

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>
Dividends and interest	27,622	27,622
UK property and rental income	539	539
	<u>28,161</u>	<u>28,161</u>
	<b>Unrestricted funds General £</b>	<b>Total 2022 £</b>
Dividends and interest	22,060	22,060
UK property and rental income	900	900
	<u>22,960</u>	<u>22,960</u>

# The John James Underdown Charitable Trust

## Notes to the Financial Statements for the Year Ended 5 April 2023 (continued)

### 3 Expenditure on raising funds

#### a) Investment management costs

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Portfolio management costs		7,182	7,182	7,933
		<u>7,182</u>	<u>7,182</u>	<u>7,933</u>

### 4 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2023 £
Grant funding of activities		37,500	37,500
Governance costs		4,884	4,884
		<u>42,384</u>	<u>42,384</u>

  

	Note	Unrestricted funds General £	Total 2022 £
Grant funding of activities		15,000	15,000
Governance costs		5,012	5,012
		<u>20,012</u>	<u>20,012</u>

## The John James Underdown Charitable Trust

### Notes to the Financial Statements for the Year Ended 5 April 2023 (continued)

#### 5 Grant-making

##### Analysis of grants

	Grants to institutions	
	2023 £	2022 £
<b>Analysis</b>		
Hospiscare	5,000	15,000
Concern Worldwide	7,500	-
Honiton & District Agricultural Ass	25,000	-
	<u>37,500</u>	<u>15,000</u>

The support costs associated with grant-making are £Nil (5 April 2022 - £Nil).

#### 6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

# The John James Underdown Charitable Trust

## Notes to the Financial Statements for the Year Ended 5 April 2023 (continued)

### 7 Independent examiner's remuneration

	2023 £	2022 £
<b>Other fees to examiners</b>		
Examination-related assurance services	920	932
All other tax advisory services	1,864	1,840
	<u>2,784</u>	<u>2,772</u>

### 8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 9 Fixed asset investments

	2023 £	2022 £
Other investments	<u>675,509</u>	<u>750,993</u>

#### Other investments

	Listed investments £	Cash or cash equivalents £	Total £
<b>Cost or Valuation</b>			
At 6 April 2022	725,863	25,130	750,993
Revaluation	(53,145)	-	(53,145)
Additions	15,381	30,510	45,891
Disposals	<u>(30,409)</u>	<u>(37,821)</u>	<u>(68,230)</u>
At 5 April 2023	<u>657,690</u>	<u>17,819</u>	<u>675,509</u>
<b>Net book value</b>			
At 5 April 2023	<u>657,690</u>	<u>17,819</u>	<u>675,509</u>
At 5 April 2022	<u>725,863</u>	<u>25,130</u>	<u>750,993</u>

# The John James Underdown Charitable Trust

## Notes to the Financial Statements for the Year Ended 5 April 2023 (continued)

### 10 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	<u>138,381</u>	<u>137,745</u>

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

	2023 £	2022 £
Accruals	<u>7,884</u>	<u>8,182</u>

### 12 Funds

	Balance at 6 April 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 5 April 2023 £
<b>Unrestricted funds</b>					
<b>General</b>					
General Funds	36,024	28,161	(49,566)	-	14,619
<b>Endowment funds</b>					
<b>Expendable</b>					
Expendable Funds	<u>844,532</u>	<u>-</u>	<u>-</u>	<u>(53,145)</u>	<u>791,387</u>
	<u>844,532</u>	<u>-</u>	<u>-</u>	<u>(53,145)</u>	<u>791,387</u>
<b>Total funds</b>	<u>880,556</u>	<u>28,161</u>	<u>(49,566)</u>	<u>(53,145)</u>	<u>806,006</u>
	Balance at 6 April 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 5 April 2022 £
<b>Unrestricted funds</b>					
<b>General</b>					
General Funds	41,009	22,960	(27,945)	-	36,024
<b>Endowment funds</b>					
<b>Expendable</b>					
Expendable Funds	<u>828,328</u>	<u>-</u>	<u>-</u>	<u>16,204</u>	<u>844,532</u>
	<u>828,328</u>	<u>-</u>	<u>-</u>	<u>16,204</u>	<u>844,532</u>
<b>Total funds</b>	<u>869,337</u>	<u>22,960</u>	<u>(27,945)</u>	<u>16,204</u>	<u>880,556</u>

# The John James Underdown Charitable Trust

## Notes to the Financial Statements for the Year Ended 5 April 2023 (continued)

### 13 Analysis of net assets between funds

	Unrestricted funds General £	Endowment funds Expendable £	Total funds at 5 April 2023 £
Fixed asset investments	17,819	657,690	675,509
Current assets	4,684	133,697	138,381
Current liabilities	(7,884)	-	(7,884)
Total net assets	14,619	791,387	806,006
	Unrestricted funds General £	Endowment funds Expendable £	Total funds at 5 April 2022 £
Fixed asset investments	25,130	725,863	750,993
Current assets	19,076	118,669	137,745
Current liabilities	(8,182)	-	(8,182)
Total net assets	36,024	844,532	880,556

### 14 Related party transactions

No Trustee received any remuneration from the Charity and no Trustee was reimbursed for any expenses from the Charity.

Every's Solicitors act as the administrator of the Trust. During the year under review an amount of £7,182 (2022: £7,933) was paid to Every's in respect of both legal and investment management services provided.